HOUSING ELEMENT

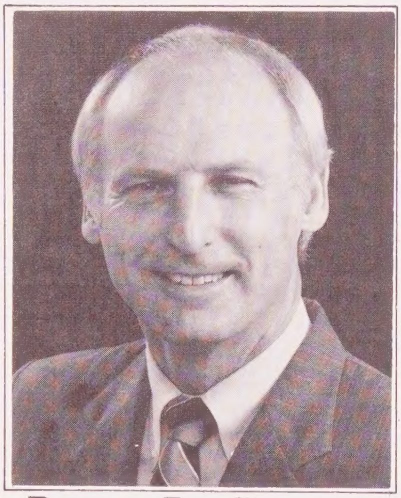
ADVANCE PLANNING PROGRAM

COUNTY OF ORANGE CALIFORNIA

ENVIRONMENTAL MANAGEMENT AGENCY

COMPONENT II

COUNTY OF ORANGE
BOARD OF SUPERVISORS



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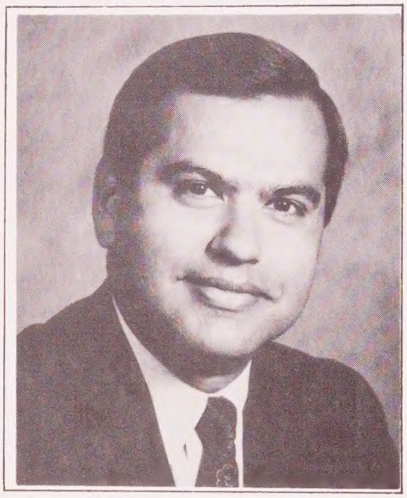

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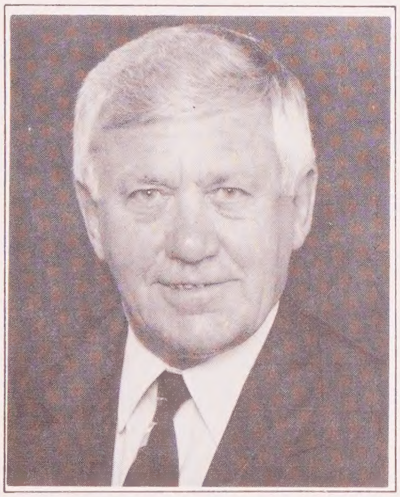

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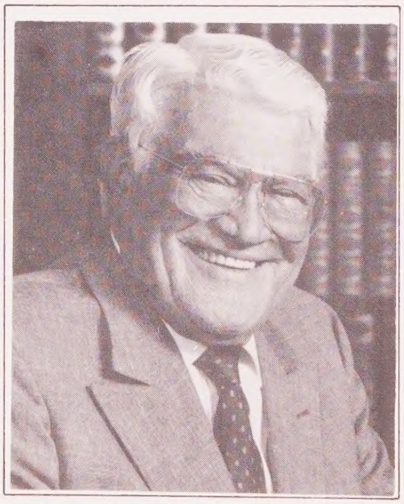

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COMPONENT II

ADVANCE PLANNING PROGRAM

HOUSING ELEMENT

County of Orange
Environmental Management Agency
Advance Planning Division

June 21, 1989

Board of Supervisors Resolution No. 89-961

ORANGE COUNTY PLANNING COMMISSION

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CHAPTER ONE: INTRODUCTION

A. Overview

The state legislature has found that the availability of housing in a suitable living environment is of vital statewide importance and a priority of the highest order. The legislature also charges local government with the responsibility to address this priority while considering economic, environmental, and fiscal factors, and community goals set forth in the General Plan.

The fundamental goal of the Housing Element is to promote the provision of a wide variety of housing opportunities to meet the needs of all economic segments of the community. While this goal is a high priority, it must be achieved while maintaining internal consistency among the other elements of the General Plan as required by state law.

The Housing Element is divided into five chapters. The first chapter provides an overview of the scope and purpose of the Housing Element. Chapter Two is an inventory of existing and projected growth; growth-related development patterns; and the regional and local housing needs assessment. Chapter Three considers governmental and non-governmental opportunities for and impediments to the maintenance, improvement and development of housing. Chapter Four focuses on the County's goals, quantified objectives and policies with regard to the provision of housing. Chapter Five contains descriptions of the County's implementation programs. The appendices provide reference material for the Housing Element as well as in-depth discussion of the Housing Opportunities Program, a voluntary program for provision of affordable housing.

B. Purpose and Scope of the Element

The Housing Element is the comprehensive statement by Orange County government to the public of its broad and specific commitments to facilitate the development of housing in the unincorporated area. These commitments are expressed within an integrated framework of goals, policies and programs. The goals of the element are primarily based on state law, assessment of shelter needs, and identified opportunities for and constraints on the development and improvement of housing. The policies and programs of the element, taken together, form an implementation strategy to meet the goals established. As such, the element serves to guide and direct local government decision-making in all shelter-related matters.

It should be noted that the General Plan (each of its nine elements) is a land use policy document and does not address social service issues. The line between these two areas is not always distinct, however, and it is the County's policy to avoid conflicts between land use and social service programs whenever possible in order to maximize the overall effectiveness of these efforts.

State Government Code Section 65588(a) provides that each local government shall review its housing element as frequently as appropriate to evaluate the following:

- o the appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.
- o the effectiveness of the housing element in attainment of the community's housing goals and objectives.
- o the progress of the local agency in implementation of the housing element.

It is also the purpose of this element to outline the findings of this evaluation and any revisions to existing policies and programs that are adopted in response to these findings.

C. Relationship to Other Elements

The Advance Planning Program is composed of three components each with a focused time frame and geographic area.

1. Component I: Long-Range Planning Framework

Component I provides the long-range planning framework and general goals for the Advance Planning Program. Included within this document are broad housing goals that provide a basis for the more specific goals and policies contained in the Housing Element.

2. Component II: The General Plan Elements

The General Plan addresses a 15- to 20- year time frame. Component II consists of the nine elements of the General Plan, including the Housing Element.

The Housing Element is implemented by developing various coordinated programs that support and carry out its goals, quantified objectives and policies. At the time of its adoption, the Housing Element is the most current expression of County housing policies and achieves internal consistency with other General Plan elements by:

a. Utilization of the same socioeconomic projections and assumptions as in other County planning documents.

b. The pursuit of major goals such as balanced land use. This goal is intended to encourage a balance within each regional statistical area (RSA) of housing, employment, shopping, recreation and civic uses to serve the needs of residents. Thus, in balanced communities, land use and transportation policies are integrated through this common goal.

c. Identifying contradictory goals or policies within different elements of the General Plan. For example, an Open Space Element may strive to preserve maximum acreage for open space or recreational uses while the Housing Element may strive to maximize acreage available for housing production.

3. Component III: Community Profiles

The Community Profiles are the most detailed portions of the Advance Planning Program. They are short-range in scope and focus on community-level policies and programs. The Community Profiles provide general information on housing density which can be used as a reference point for identifying areas of possible affordable units.

D. <u>Related Planning Activities</u>

1. Orange County Projections-1988 Demographic Forecast

Orange County Projections-1988 (OCP-88) contains projections for population, housing, and employment. The projections, which are adopted by the Board of Supervisors, provide a single data reference for policy-making and program planning as per direction by the Board of Supervisors (Minute Order of August 9 1988).

OCP-88 is used throughout the General Plan (e.g., Land Use, Housing, and Transportation elements). Moreover, the projections are used by the Orange County Transportation Commission, Orange County Transit District, and other County agencies for all long-range planning and budgeting activities.

Regional statistical areas (RSAs) are the geographic units used for the development of these policy projections. The projections are then disaggregated to community analysis areas (CAAs) for the purpose of performing Development Monitoring Program (DMP) analyses. The DMP analysis is conducted by the County Administrative Office in order to determine the impact of existing and projected development on infrastructure facilities and fiscal resources. The CAA projections are then disaggregated by EMA to the traffic analysis zone level for transportation planning efforts.

OCP-88 served as the County's official input to the SCAG Regional Growth Forecast Policy. The Growth Forecast Policy is implemented through SCAG's regional planning activities, project review, and coordination with city, county, state and federal governments. The adopted growth forecast is utilized in the development of the Air Quality Management Program and the Regional Transportation Plan, which are mandated by federal and state law.

2. Federal and State Housing Programs

In recent years, the federal government has eliminated or substantially reduced a number of Department of Housing and Urban

Development (HUD) programs. The future role of the federal government in housing and community development activities is expected to decrease or remain constant at best in the near term due to federal budget constraints.

The County's efforts to provide and maintain housing for low-income households is heavily dependent upon federal and state grants since direct financial subsidies are generally required to serve this need.

Federal programs which the County participates in include Section 8 Existing Rental Assistance (including Section 8 Certificate and Section 8 Voucher) and Community Development Block Grant (CDBG). State programs include the CDBG Nonentitlement Program, California Housing Finance Agency (CHFA) tax-exempt mortgage revenue bonds, California Housing Assistance Service Grants, the Predevelopment Loan Program, and the Aftercare Rental Assistance Program. These programs are discussed in Chapter 5.

3. Regional Housing Plan

The Southern California Association of Governments (SCAG) determines regional housing need and the share of the regional need to be addressed by Orange County. A key element in SCAG's housing role is the Regional Housing Needs Assessment (RHNA). The RHNA identifies current and projected five-year housing needs within the SCAG region.

Factors considered in determining the regional housing need are market demand, employment opportunities, the availability of suitable sites and public facilities, commuting patterns, and the needs of farmworkers. The regional need, once determined is then distributed to each jurisdiction in the SCAG region, each of which receives its "fair share allocation" of the overall regional need. The RHNA must be considered and incorporated into the Housing Element's assessment of housing need.

As the regional planning and coordinating agency, SCAG prepares the Regional Housing Element, which is a plan and strategy for meeting housing needs in the region as a whole. The Los Angeles/Orange County/Riverside/San Bernardino urbanized area constitutes a single housing market and a regional approach such as provided by SCAG is essential if the housing elements of local jurisdictions are to be realistically related to regional housing market forces.

CHAPTER TWO: INVENTORY OF EXISTING CONDITIONS AND FUTURE TRENDS

A. Introduction

The purpose of this section of the Housing Element is to examine the current conditions and the manner in which future growth is expected to be influenced by the policies of the Housing Element and other General Plan elements. This review is divided into several sections. The first presents a synopsis of county growth trends and projections of future levels of population, housing, and employment. The following sections identify current characteristics of the county's population, housing stock, and the local housing market. The final section briefly touches upon current and future needs as presented in the Regional Housing Needs Assessment (RHNA).

B. County Growth Trends

1. Overview

One of the most noteworthy attributes of Orange County has been its dramatic growth. From its beginnings as an agricultural region, the county's economic emphasis has steadily shifted to high-technology and financial operations, first as a suburb of Los Angeles and later as an important urban center.

The County's population growth can best be put into perspective by comparing it to California and the nation as a whole (see Table 2-1). Between 1900 and 1980, the United States as a whole grew at an average compound rate of 1.4 percent per year while the State of California increased an average of 3.5 percent each year. In Orange County, however, the population gained an average of 5.9 percent annually, more than four times the national average. The post-war decades between 1950 and 1970 were years of spectacular growth for the county. In 1950 just over 216,000 persons lived here; by 1970 the population had growth to over 1.4 million.

Since 1970, Orange County's growth rate has dropped off substantially, although it still has exceeded state and national growth rates. Population projections for the county anticipate this decline in the rate of increase to continue through 2010. After the turn of the century Orange County's growth rate should parallel the state as a whole.

For analytical purposes, the Southern California Association of Governments (SCAG) has divided its six-county region into geographic units called regional statistical area (RSAs). Orange County's ten RSAs are shown on Map 2-1. Most of the demographic and economic analyses presented in the following sections refer to data at the RSA level.

TABLE 2-1

Population Growth Trends
Orange County, California and United States
1900-2010

	Population			Annual Growth Rate		
Year	Orange Co.	California	U. S.	Orange Co.	California	U. S.
1900	19,696	1,485,053	75,994,575	-	-	-
1910	34,436	2,377,549	91,972,266	5.7	4.8	1.9
1920	61,375	3,426,861	105,710,620	5.9	3.7	1.4
1930	118,674	5,677,251	122,775,046	6.8	5.2	1.5
1940	130,760	6,907,387	131,669,275	1.0	2.0	0.7
1950	216,224	10,586,223	151,325,798	5.2	4.4	1.4
1960	703,925	15,717,204	179,323,175	12.5	4.0	1.7
1970	1,420,386	19,971,069	203,302,031	7.3	2.4	1.3
1976	1,772,094	N.A.	N.A.	3.8	N.A.	N.A.
1980	1,932,709	23,667,902	226,504,825	2.2	1.7	1.1
1985	2,130,000	26,365,000	239,279,000	2.0	2.3	1.1
1990	2,302,100	28,771,000	250,410,000	1.6	1.8	0.9
1995	2,463,800	30,956,000	260,138,000	1.4	1.5	0.8
2000	2,599,200	32,853,000	268,266,000	1.1	1.2	0.6
2005	2,718,800	34,546,000	275,604,000	0.9	1.0	0.5
2010	2,833,800	36,277,000	282,575,000	0.8	1.0	0.5

Note: Growth rates represent average annual compound rates of increase.

Sources: U.S. Census
California Department of finance
Orange County Preferred-88 Forecast
EMA/Advance Planning Division

There are several advantages to using RSA data in planning studies: consistent geographic areas are maintained, allowing comparisons between different time periods; the RSAs are small enough to ensure relative homogeneity within areas and to identify major sub-regional differences; and data coordination is possible with other agencies and studies such as SCAG, the County Administrative Office's Development Monitoring Program (DMP) and Areawide Fiscal Impact System (AFIS), and the Air Quality Management Plan (AQMP). This type of intergovernmental coordination helps to improve the effectiveness of the planning process.

Most of the demographic projections used in the County General Plan, including the Housing Elements, are based upon the Orange County Preferred-88 (OCP-88) forecast. These projections were adopted by the Board of Supervisors on August 9, 1988. The OCP forecast can be amended in several ways: concurrent with the processing of a project that is inconsistent with the projections; through annual review as part of the Development Monitoring Program; or as part of the SCAG Regional Development Guide update process.

2. <u>Population, Housing, and Employment Growth Trends and Projections</u>

a. Population Distribution Patterns

During the past 20 years the focal point of Orange County's growth has shifted gradually southward. In the 1950s and '60s the majority of new development occurred in the northern areas of the County such as Anaheim, Fullerton, Orange, Westminster and Fountain Valley. During the 1970s, as vacant land became more scarce in these northern areas, the center of growth shifted to the south with the rise of new communities like Irvine, Mission Viejo, and Laguna Niguel. For analytical purposes, North County is generally considered to be the area north and west of the Costa Mesa Freeway (State Highway 55) and contains RSAs 35-J, 36-A, 37-H, 38-I, 41-B, and 42-G (see Map 2-1). South County is represented by RSAs 39-F, 40-D, 43-C and 44-E.

Table 2-2 highlights the projected population growth trends in the north and south portions of the county. The source of these figures is the OCP-88 forecast. During the 30-years study period about 56 percent of the county's net population growth is projected to occur in the southern RSAs. Although the rate of growth in north county is declining, this area will still contain the majority of the county's population throughout the study period. In 1980, 77 percent of the county's 1,932,709 people lived in the north. By 2010, it is expected that this figure will fall to 66 percent.

The difference in growth between north and south is made more apparent when the growth rates of the two areas are compared. Between 1980 and 2010 the population of the northern portion of county is expected to increase by 393,949, a gain of 27 percent. South County will add 507,142 persons during the same period representing a growth of 112 percent.

REGIONAL STATISTICAL AREAS

MAP 2-1

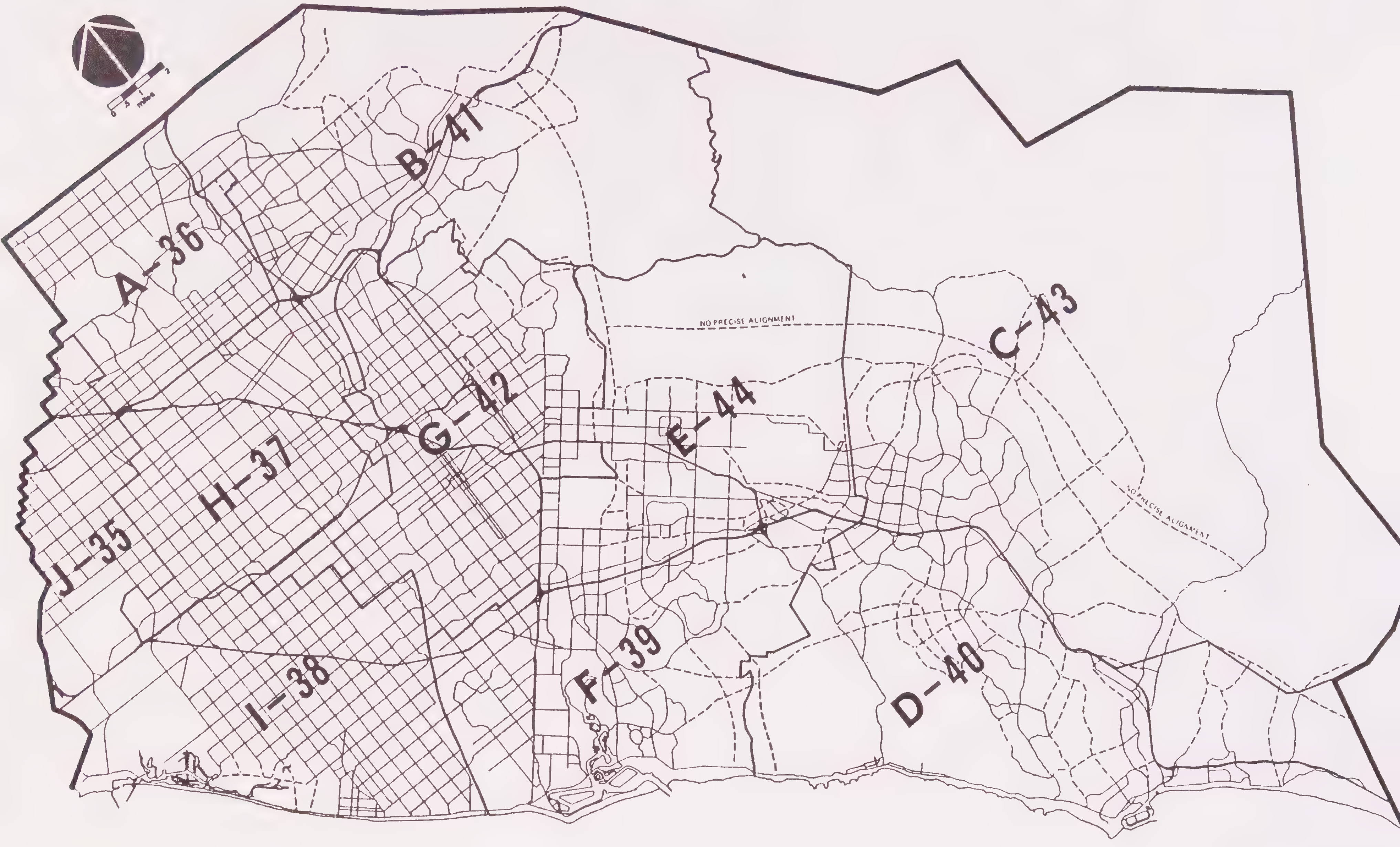

TABLE 2-2

PROJECTED POPULATION GROWTH TRENDS
NORTH COUNTY vs. SOUTH COUNTY
1980 - 2010

	North County[a/]			South County[b/]			County Total		
	1980	2010	Change	1980	2010	Change	1980	2010	Change
Total Population	1,478,851	1,872,800	+27%	453,858	961,000	+112%	1,932,709	2,833,800	+47%
Pct. of Total Population	77%	66%	-11%	23%	34%	+11%	100%	100%	-
Growth	-	-	393,949	-	-	507,142	-	-	901,091
Pct. of Growth	-	-	44%	-	-	56%	-	-	100%
Average Household Size	2.79	2.70	-0.09	2.37	2.34	-0.03	2.68	2.52	-0.16

Notes: a/ Incldes RSAs 35-J, 36-A, 37-H, 38-I, 41-B and 42-G
b/ Includes RSAs 39-F- 40-D, 43-C and 44-E

Sources: 1980 Census
County of Orange: OCP-88 Projections
Orange County EMA/Advance Planning Division

b. Population Trends by RSA

Table 2-3 identifies recent and projected growth trends in population for each of Orange County's ten RSAs. Subtotals are also provided for the incorporated and unincorporated portions of the county. As can be seen from the table RSAs 37-H (Anaheim), 38-I (North Coast) and 42-G (Santa Ana) are the most heavily populated areas of County. The eastern and southern areas (RSAs 40-D, 41-B, 43-C and 44-E) are expected to register the largest gains, however, both in percentage terms and raw numbers between 1980 and 2010. Even with their larger growth increments, these rapidly developing areas are still expected to contain fewer people in 2010 than most of the northern and central RSAs.

c. Housing Distribution Patterns

The projected increase in the housing stock reflects the population trend identified above (see Tables 2-4 and 2-5). Due to a decline in average household size from 2.68 to 2.52 persons per dwelling unit countywide, the number of new units expected to be built between 1980 and 2010 represents a slightly higher percentage increase than for the population itself. Consequently, while the county's population is projected to rise by 47 percent (901,091 persons) during this period, the housing stock will increase by 53 percent (381,986 units) over the same interval.

The spatial distribution of new residential construction is expected to be skewed toward south county. About 57 percent of the new units built in the county between 1980 and 2010 are expected to be located in the southern area. Although the northern portion of the county is growing much less rapidly than the south on a percentage basis, by 2010 nearly two-thirds (63 percent) of housing units will still be found in the northern RSAs.

d. Countywide Employment Trends and Distribution Patterns

Employment trends are extremely important in determining the county's overall growth pattern and, therefore, play an important role in developing county policies for housing.

Orange County has enjoyed a strong economy during the past several decades due to its advantageous location and climate. Total jobs are projected to increase by 103 percent between 1980 and 2010 (see Table 2-6).

As of 1980, 72 percent of the county's 915,400 jobs were located in North County. This is very similar to the population pattern identified in Table 2-2. By 2010, a modest southward shift in the employment distribution is projected to occur. However, the magnitude of this shift will be somewhat less than the shift in population and housing distributions. Whereas South County is projected to receive 56 percent of the county's population growth

TABLE 2-3
Orange County Population Trends by RSA
1980-2000

RSA	1980 1/	1983 2/	1980-83 Growth (%)*		1988 3/	1983-88 Growth (%)*		1995 4/	1988-95 Growth (%)*		2000 4/	1995-2000 Growth (%)*	
35-J	156,248	161,005	4,757	(0.1%)	161,983	978	(0.1%)	167,800	5,817	(0.5%)	168,600	800	(0.10%)
36-A	168,782	176,918	8,136	(1.6%)	183,494	6,576	(0.7%)	186,100	2,606	(0.2%)	188,900	2,800	(0.30%)
37-H	338,682	355,132	16,450	(1.6%)	367,761	12,629	(0.7%)	373,200	5,439	(0.2%)	379,100	5,900	(0.32%)
38-I	321,137	334,726	13,589	(1.4%)	343,148	8,422	(0.5%)	355,000	11,852	(0.5%)	363,100	8,100	(0.46%)
39-F	170,644	182,257	11,613	(2.2%)	195,570	13,313	(1.5%)	223,400	27,830	(2.0%)	235,600	12,200	(1.09%)
40-D	134,696	151,545	16,849	(4.0%)	188,775	37,230	(4.9%)	225,300	36,525	(2.8%)	247,200	21,900	(1.94%)
41-B	116,686	128,839	12,153	(3.3%)	150,381	21,542	(3.3%)	186,000	35,619	(3.4%)	210,800	24,800	(2.67%)
42-G	377,316	400,931	23,615	(2.0%)	415,765	14,834	(0.7%)	439,200	23,435	(0.8%)	449,300	10,100	(0.46%)
43-C	95,954	109,325	13,371	(4.4%)	145,964	36,639	(6.7%)	190,700	44,736	(4.4%)	212,700	22,000	(2.31%)
44-E	52,564	63,422	10,858	(6.4%)	85,936	22,514	(7.1%)	117,100	31,164	(5.2%)	143,900	26,800	(4.58%)
Incorp	1,665,384	1,777,656	112,272	(2.2%)	1,975,703	198,047	(2.2%)	2,095,033	119,330	(0.9%)	2,146,604	51,571	(0.49%)
Unincorp	267,325	286,444	19,119	(2.3%)	263,074	-23,370	(-1.6%)	368,767	105,693	(5.7%)	452,596	83,829	(4.55%)
County Total	1,932,709	2,064,100	131,391		2,238,777	174,677	(1.7%)	2,463,800	225,023	(1.4%)	2,599,200	135,400	(1.10%)

*Growth rates represent average annual compound rates of increase.

Sources:

1/ Census data as of April 1, 1980

2/ Estimates based on adopted OCP-85 Projections
EMA/Advance Planning Division

3/ Orange County Progress Report 1988-89, Vol. 25; Estimates reflect the March 31, 1988 incorporation of the City of Mission Viejo

4/ Estimates based on adopted OCP-88 Projections and include City of Dana Point

TABLE 2-4

PROJECTED HOUSING GROWTH TRENDS
NORTH COUNTY vs. SOUTH COUNTY
1980-2010

	North County[a/]			South County[b/]			County Total		
	1980	2010	Change	1980	2010	Change	1980	2010	Change
Total Units	530,324	692,900	+31%	191,190	410,600	+114%	721,514	1,103,500	+53%
Pct. of Total	74%	63%	-11%	26%	37%	+11%	100%	100%	-
Growth	-	-	162,576	-	-	219,410	-	-	381,986
Pct. of Growth	-	-	43%	-	-	57%	-	-	100%

Notes: a/ Includes RSAs 35-J, 36-A, 37-H, 38-I, 41-B and 42-G
b/ Includes RSAs 39-F- 40-D, 43-C and 44-E

Sources: 1980 Census
County of Orange: OCP-88 Projections
Orange County EMA/Advance Planning Division

TABLE 2-5
Orange County Housing Stock Trends by RSA
1980-2000

RSA	1980 1/	1983 2/	1980-83 Growth (%)	1988 3/	1983-88 Growth (%)*	1995	1988-85 Growth (%)*	2000	1995-2000 Growth (%)*
35-J	52,454	53,382	928 (1.8%)	54,714	1,332 (0.5)	58,400	3,686 (1.0)	59,500	1,100 (0.38)
36-A	64,578	66,691	2,113 (3.3%)	69,408	2,717 (0.8)	73,500	4,092 (0.8)	75,900	2,400 (0.65)
37-H	124,875	128,070	3,195 (2.6%)	133,239	5,169 (0.8)	139,200	5,961 (0.6)	142,500	3,300 (0.47)
38-I	119,038	122,675	3,637 (3.0%)	128,071	5,396 (0.9)	138,900	10,829 (1.2)	143,600	4,700 (0.68)
39-F	74,920	77,968	3,048 (4.1%)	84,314	6,346 (1.6)	96,900	12,586 (2.1)	102,300	5,600 (1.16)
40-D	66,072	72,089	6,017 (9.1%)	87,990	15,901 (4.4)	107,800	19,810 (3.2)	117,000	11,600 (1.71)
41-B	39,276	42,710	3,434 (8.7%)	50,468	7,758 (3.6)	64,300	13,832 (3.9)	73,900	9,600 (2.99)
42-G	130,103	134,361	4,258 (3.3%)	139,876	5,515 (0.8)	148,500	8,624 (0.9)	154,000	5,600 (0.74)
43-C	32,885	37,154	4,269 13.0%)	51,766	14,612 (7.9)	69,000	17,234 (4.8)	79,400	10,400 (2.96)
44-E	17,313	20,905	3,592 (20.7%)	29,410	8,505 (8.1)	42,400	12,990 (6.3)	54,000	12,000 (5.47)
Incorp	618,899	648,389	29,490 (4.8%)	725,621	77,232 (2.4)	792,711	67,090 (1.3)	823,404	30,693 (0.77)
Unincorp	102,615	107,616	5,001 (4.9%)	103,635	-3,981 (-0.7)	146,189	42,554 (5.9)	178,696	32,507 (4.45)
County	721,514	756,005	34,491 (4.8%)	829,256	73,251 (1.9)	938,900	109,644 (1.9)	1,002,100	63,200 (1.35)

*Growth rates represent average annual compound rates of increase

Sources:

1/ U. S. Census Bureau; Orange County Administrative Office

2/ Orange County Administrative Office, OCP-85 Projections (Interpolation)

3/ Orange County Administrative Office, OCP-88 Projections. Estimates reflect the March 31, 1988 incorporation of the City of Mission Viejo, but include the City of Dana Point.

TABLE 2-6

PROJECTED EMPLOYMENT GROWTH TRENDS
NORTH COUNTY vs. SOUTH COUNTY
1980-2010

	North County[a/]			South County[b/]			County Total		
	1980	2010	Change	1980	2010	Change	1980	2010	Change
Total Employment	658,600	1,164,900	+77%	256,800	690,600	+168%	915,400	1,855,500	+103%
Pct. of Total Employment	72%	63%	-9%	28%	37%	+9%	100%	100%	-
Growth	-	-	506,300	-	-	433,800	-	-	940,100
Pct. of Growth	-	-	54%	-	-	46%	-	-	100%

Notes: a/ Includes RSAs 35-J, 36-A, 37-H, 38-I, 41-B and 42-G
b/ Includes RSAs 39-F, 40-D, 43-C and 44-E

Sources: Orange County EMA/Advance Planning Division
County of Orange OCP-88

between 1980 and 2010, only 46 percent of new jobs are expected to be located in this area. According to a study released by the Orange County Transportation Commission, this trend is explained by a competitive advantage enjoyed by the established employment centers in North County. The major reasons for this advantage are access to labor supply, access to markets in the greater Los Angeles area, availability of competitively-priced land for new office and industrial developments, and the efforts of redevelopment agencies to attract new projects. During the 1990s the focus of growth will shift to the presently less-developed areas of the county. The primary reason for this shift are that by the 1990s the developing county area will have an increased population and the older established areas will have relatively fewer competitive sites remaining for development.

Overall, the county's employment base is projected to grow considerably faster than the population as a whole. This compares to a 47 percent population increase during the same period. Two trends help to explain this difference: 1) an increasing labor force participation rate, particularly among women; and 2) more Orange County workers commuting from Los Angeles, Riverside, San Bernardino and San Diego counties.

Table 2-7 contains employment trends by RSA for the period 1970-1988.

e. Comparison of Jobs to Housing Balance

One of the explicit implementation policies of the Land Use Element of the General Plan is "to plan urban land uses with a balance of residential, industrial, commercial and public land uses." Table 2-8 summarizes the jobs-to-housing balance between different geographic areas and helps in evaluating the county's growth trend in terms of the balanced land use policy.

If there were an equal number of job opportunities and housing units throughout the county, the job/housing ratio would be 1.0. An examination of Table 2-8 reveals that most RSAs show some degree of imbalance between housing and jobs. Only RSAs 35-J (Buena Park), 37-H (Anaheim) and 41-B (Canyon) show a consistent balance between housing and employment. The remaining RSAs are equally divided between "employment surplus" and "employment deficit" areas. Employment surplus areas--those where the proportion of jobs is substantially greater than housing--include RSAs 36-A (Fullerton), 39-F (Central Coast), 42-G (Santa Ana) and 44-E (El Toro). On the other hand, RSAs 38-I (North Coast), 40-D (South Coast) and 43-C (Trabuco) all contain significant employment deficits.

TABLE 2-7

Orange County Employment Trends by RSA
1980-2010

RSA	1980	1988	1995	2005	2010
35-J	55,200	70,800	75,800	86,500	93,100
36-A	100,600	115,220	132,600	143,200	146,700
37-H	146,000	186,340	195,800	226,000	241,700
38-I	90,300	114,780	122,600	139,500	150,200
39-F	146,800	192,780	231,300	270,300	282,900
40-D	32,600	52,700	78,900	110,400	119,500
41-B	54,900	72,340	84,500	101,800	107,200
42-G	211,600	273,860	341,600	397,200	426,000
43-C	17,400	26,080	51,200	76,600	85,300
44-E	60,000	100,140	159,500	187,900	202,900
County Total	915,400	1,205,040	1,473,800	1,613,000	1,855,500

Sources: OCP-88
County Administrative Office
EMA/Advance Planning Division

TABLE 2-8

Comparison of Jobs to Housing Balance by RSA
1983-2000

RSA	1983 Emp	1983 DU	1983 Ratio	1988 Emp	1988 DU	1988 Ratio	1995 Emp	1995 DU	1995 Ratio	2000 Emp	2000 DU	2000 Ratio
35-J	57,248	53,382	1.07	70,800	55,440	1.30	75,800	58,400	1.30	80,800	59,500	1.36
36-A	98,262	66,691	1.50	115,220	69,900	1.64	132,600	73,500	1.80	136,600	75,900	1.80
37-H	150,824	128,070	1.18	186,340	131,880	1.41	195,800	139,200	1.41	208,900	142,500	1.47
38-I	95,216	122,675	0.80	114,780	130,140	0.88	122,600	138,900	.88	128,000	143,600	.89
39-F	152,558	77,968	2.00	192,780	85,760	2.24	231,300	96,700	2.39	257,500	102,300	2.52
40-D	43,300	72,089	0.60	52,700	84,260	0.63	78,900	105,400	.75	98,400	117,000	.84
41-B	56,538	42,710	1.32	72,340	51,300	1.41	84,500	64,300	1.31	93,000	73,900	1.26
42-G	218,676	134,361	1.63	273,860	142,360	2.02	341,600	148,400	2.30	367,500	154,000	2.39
43-C	22,762	37,154	0.61	26,080	47,560	0.54	51,200	69,000	.74	68,400	79,400	.86
44-E	64,816	20,905	3.10	100,140	28,580	3.50	159,500	42,000	3.80	173,900	54,000	3.22
County Total	960,200	756,005	1.30	1,205,040	827,180	1.46	1,473,800	935,800	1.57	1,613,000	1,002,100	1.61

Note: Ratio represents the number of employment opportunities per dwelling unit.

Sources: County of Orange, EMA-Advance Planning Division
OCP-85 Forecast
OCP-88 Forecast

The relationship between housing and employment within the county's RSAs should be considered when Housing Element policies and programs are being developed with a goal of encouraging residential development in areas where an employment surplus is projected.

C. Population Characteristics

1. General Characteristics

According to the State of California Department of Finance, Orange County's population, as of January 1, 1989 was 2,280,405. The cities in Orange County contain 85 percent of this population with the remaining 15 percent residing in the county's unincorporated areas.

According to the 1980 census, Orange County contained 687,059 households in 1980. It is estimated that the number of households will increase to 863,084 countywide by 1994 which represents 129,463 in the unincorporated area. This estimation is a straight extrapolation based upon a projected annual growth rate of 1.83 for the years between 1980 and 1995. The term "household" is defined by the Census Bureau as all persons who occupy a housing unit. A householder is the person in whose name the home is owned or rented.

Household types in the County are subdivided into three groups:

(1) Family households: those which consist of a householder living with one or more persons related to him or her by birth, marriage, or adoption.

(2) Non-family households: those which consist of a householder living alone or with non-relatives only.

(3) Group quarters: all persons not living in households are classified by the Census Bureau as living in group quarters. Two general categories of persons in group quarters are recognized: 1) Inmates or institutions, and 2) Other, such as rooming houses, communes and workers' dormitories.

In 1980, persons in family households comprised 85 percent of the county's total population and 87 percent of the population in the unincorporated area. Non-family households contained 259,691 persons (13 percent of the total county population) with 30,737 living in the unincorporated area. Slightly more of these households were headed by women than by men. Applying the same percentages to 1994 estimates, non-family households will contain 314,433 persons with 37,732 living in the unincorporated area.

Persons occupying group quarters represented less than 2 percent of both the county and unincorporated area populations.

2. Household Characteristics

a. Household Composition

In 1980, 72 percent of the county's housing units were occupied by family households. This percentage was substantially higher than the statewide figure of 69 percent but below the unincorporated area figure of nearly 76 percent. Non-family households represented 28 percent of the county total, which was substantially lower than the statewide figure of 31 percent but higher than the unincorporated figure of 24 percent.

According to the 1980 census, married couples comprised 60 percent of the county's total households and one-half of these had children under 18 living with them. Families headed by women represented 9 percent of all county households, with two-thirds of these women having children under 18 living with them.

In 1994, it is estimated that 517,850 households will be comprised of married couples with 258,925 of these households with children under 18 living with them. Families headed by women would represent 77,677 of the County's households, with 51,785 of the households with children under 18.

Countywide, non-family households are almost evenly split between male and female householders, each comprising about 14 percent of all county households.

b. Income Characteristics

Households include all occupied housing units, while families are defined as two or more persons related by birth, marriage or adoption.

According to the Chapman College Center for Economic Research, as of January 1, 1989, the Orange County median family income was $48,123, which is significantly higher than the California median income.

Table 2-9 shows Orange County median family income statistics for the years 1975 through 1989.

Section F of this Chapter (Regional Housing Needs Assesment) further discusses overpayment and the current and future housing needs of the unincorporated county.

TABLE 2-9

Orange County Median Family Income

Year	Median Family Income	Annual Change (%)[a/]
1975 Actual	$16,379	-
1976 Actual	$17,933	9.5
1977 Actual	$20,122	12.2
1978 Actual	$22,583	12.2
1979 Actual	$25,499	12.9
1980 Estimate	$28,705	12.6
1981 Estimate	$31,900	11.1
1982 Estimate	$32,815	2.9
1983 Estimate	$34,371	4.7
1984 Estimate	$37,025	7.7
1985 Estimate	$39,941	7.9
1986 Estimate	$41,537	4.0
1987 Estimate	$43,112	3.8
1988 Forecast	$45,176	4.8
1989 Forecast	$49,916	10.5

Note: [a/] Average annual compound rate of increase

Sources: Economic and Business Review, June 1988, Center for Economic Research Chapman College.

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County of Orange, EMA/Advance Planning Division

3. Special Needs

a. Elderly and Handicapped

According to the County's 1988-91 Housing Assistance Plan, there are 4,420 lower-income elderly and 4,431 handicapped households in need of housing assistance in the unincorporated area.

The elderly population is comprised of persons who are 60 years of age and older. According to the State Department of Finance, 90 percent of elderly persons are homeowners and 10 percent are renters. Since most of the elderly persons are homeowners, they are less affected by housing market conditions. While appreciation of a home is a plus, the negative aspect of ownership includes lack of funds due to a fixed income to provide needed maintenance. Many elderly persons also live in housing too large for their current needs. Though property taxes have been reduced due to Proposition 13 for some, taxes and insurance are a substantial portion of the elderly household's limited budget.

The 22,704 elderly renters countywide are most seriously impacted by the housing market. For senior citizens dependent on a fixed Social Security allocation, little remains for other necessary expenses. Moreover, 3,503* senior citizens live in mobile homes and feel the impact of increased space rental and conversion of parks to non-residential use (Note: *This number has decreased due to recent incorporations).

SB 1553 of 1984 (Govt. Code Sec. 65915) requires that local governments grant density bonuses or other incentives to developers who construct housing projects in which 50 percent or more of the units are for senior citizens. The County will encourage the development of housing for the elderly in compliance with this legislation, as described in Chapter Five (Meeting Special Housing Needs).

According to United Way (1986), there are approximately 330,000 disabled persons residing in Orange County (approximately 15% of the overall County population). The State Department of Rehabilitation estimates that this includes 230,000 physically disabled and 130,000 developmentally disabled persons (60,000 are both physically and developmentally disabled). This is probably a conservative estimate due to the fact that the attractive benefits package and mild climate draw a high number people with disabilities to Orange County.

Another critical subgroup in the disabled classification is the mentally ill. As mental illness is not necessarily a visible handicap, the mentally ill are often an invisible population within the disabled community. As a result, the seriously and persistently mentally ill are often overlooked and fail to reap their fair share of all levels of low-income housing.

What was once thought of as fatal disabling trauma or birth defect is now often responsive to medical treatment. As medical science advances, the probability of disabled persons surviving their disability is increasing in the same way that longevity for elderly persons is increasing. Therefore the needs of disabled persons will also continue to increase.

The two major housing needs of the disabled--particularly physically disabled persons--are affordability and accessibility.

A majority of Orange County's disabled residents' incomes fall below 50 percent of the County's median income. As recipients of Supplemental Social Security Income (SSI), many are on a fixed income, per month, which places them at a disadvantage when faced with inflation and rising housing costs. Since most disabled persons cannot qualify for home ownership, they are forced into the already-crowded rental housing market.

On January 23, 1989 HUD published final rules implementing the 1988 Federal Fair Housing Act. Under this law, the disabled have been added as a protected class. A big concession was given to apartment owners in allowing them to collect special deposits for disabled tenants modifying apartments to make them more accessible. The new law gives disabled tenants the right to demand alterations to units without letting management increase their security deposits. Landlords, however, may negotiate with tenants to set up separate interest-bearing escrows to cover cost of restoring modifications when tenants vacate. The following conditions are also outlined in the HUD final rules:

1. Escrow payments may be negotiated only where it is reasonable to do so.

2. Disabled residents must obtain landlord's permission before proceeding with modifications.

3. The apartment owner may not require tenants to follow a detailed approval process; permission to make modifications may be oral.

4. Owner may withhold permission until renter selects a responsible contractor to do the work.

5. Management may condition approval on renter providing reasonable description of planned alterations and assurances that necessary building permits will be obtained.

An aid in the provision of housing for the mentally ill has been HOMES, Inc. (Helping Our Mentally ill Experience Success). HOMES is a non-profit corporation organized in 1985 with the goal of providing an array of housing options for the mentally ill.

HOMES currently provides three houses at the semi-independent level with supportive services in Orange County for mentally ill adults. The current program is considered transitional, and residents move on to independent living when their Section 8 certificates become available to them.

Sources: Dayle McIntosh Center
United Way
State Dept. of Rehabilitation
H.O.M.E.S. Inc.
O.C. HCA, Mental Health Services

b. Large-Family Households

Families of five or more members are classified as large families. Large-family household need is dictated by three factors: (1) size of family; (2) family income; and (3) cost of housing. The Housing Assistance Plan (HAP) for 1988-1991 identifies 2,999 lower-income large families in the unincorporated county area with an unmet housing need. The 1980 Census stated that there were 90,657 large families within Orange County, with 11,496 of these in the unincorporated area.

Sources: Housing Assistance Plan 1988-1991

c. Single Heads of Household

The single employed parent typically desires minimal maintenance housing, primarily two-bedroom units near place of employment, schools, shopping and recreational activities. One of the main priorities is a safe neighborhood; however, with limited income, affordable housing is often available only in less-desirable areas of the county. Although data on single male-headed households is unavailable, the 1980 Census reported that in the unincorporated County 4,279 female householders had children under 18 years of age. Using the same ratios as in 1989, it is estimated that in 1994, female-headed households with children under 18, in the unincorporated areas, will total 5,437.

HUD published "final rule" concessions to the 1988 Federal Fair Housing Act (January 23, 1989) implementing amendments that add families with children as a protected class under the federal housing law. Although the regulations offer retirement communities more leeway in types of facilities and services they must offer to be exempt from admitting children, this leeway is not extended to mobile home park operators. The act only provides exemptions for all-adult communities for preretirees at least 55 years old and elderly 62 or older.

Also HUD rejects suggestion that mobile homes and conventional multi-family housing be allowed to designate floors or buildings in developments for elderly and others for families with children. This would be blatantly discriminatory.

d. Military Personnel

Marine Corps Air Station (MCAS) El Toro is located in unincorporated Orange County within Irvine's sphere of influence and MCAS Tustin is in the adjoining City of Tustin. As of October 1988, approximately 1,770 civilians and 6,300 military were on the El Toro base, and 130 civilians and 3,900 military were on the Tustin base, totaling 12,100 personnel for both bases. The number of bachelor units in barracks on the El Toro base is approximately 4,000, and 1,800 units exist on the Tustin base. The number of family units available on the El Toro base is currently 1,252 and 1,259 are located on the Tustin base. This means that approximately 3,800 military households (both single person and family) must seek housing off-base. There is currently a waiting list of six months to three years for on-base housing. Future plans include the construction of 100 family housing units in 1989 and 118 units in 1990, all on the Tustin base. Additionally, 64 family housing units will be relocated from El Toro to Tustin during 1989.

Over 50% of the military personnel at El Toro and Tustin are married. According to the Tustin and El Toro Stations, most military personnel are stationed for two or three years, which makes them a highly mobile population. Military personnel find that with very limited incomes it is increasingly difficult to find housing in Orange County. Clearly more available low-cost housing is necessary for the military.

Source: J.M. Wagner, Colonel, U.S. Marine Corps
Community Plans and Liaison Officer

e. Farmworkers

In recent years, there has been a shift from traditional agricultural to Special Agricultural Workers (SAWS). This shift refers to agricultural workers as defined by the Immigration and Naturalization Service (INS) in implementing the Immigration Reform and Control Act of 1986 (IRCA).

The passage by Congress of IRCA was intended to permit legalization of individuals who had lived or worked in the United State for specific periods of time. It also tightened requirements for employers to document the legal status of new employees and provided for the sanction of those employers found to be knowingly employing undocumented aliens. IRCA, then, was an opportunity for eligible illegal aliens to legalize their status and eventually become citizens. At the same time, it was intended to discourage future illegal immigration by preventing their employment in the United States.

Agricultural employment accounts for less than 1 percent of total county employment. The California Employment Development Department reported that the agricultural employment average in Orange County for 1988 was 8,100 employees. In April 1988 the seasonal peak for agricultural employment which usually occur betweens April and June,

was 10,900 employees. These figures do not include those classified as SAWs in the county. This number is unclear. The Department of Health in Sacramento estimates that there are 19,195 SAWs in all agricultural pursuits in this county. This figure was derived from the demographics created in estimating funding and is considered very high by legalization staff at INS.

f. Homeless Individuals and Families

Existing service agencies indicate that a growing need exists for limited-term shelter facilities for individuals and families with no available shelter due to the following constraints: limited/fixed income (e.g., SSI recipient); unemployment; recent eviction, rent raise, or home foreclosure; low vacancy rate; emotional/mental problems; family violence; or difficulty adapting to a new culture. The target group (some of whom are chronically homeless and some of whom are temporarily homeless) consists of men and women of all ages.

Current Needs

The most recent statistics regarding the magnitude of homelessness and existing resources were compiled by EMA-HCD as part of the County's Comprehensive Homeless Assistance Plan (CHAP). The CHAP was prepared in 1987 in support of the County's Emergency Homeless Shelter Grant application under the McKinney Act (see program description on P. H-5-25). It should be noted that the following statistics apply to the entire county, not the unincorporated area.

The CHAP indicated that the total number of homeless in Orange County is unknown, but the Homeless Issues Task Force estimates this figure to be 8,000 to 10,000. The following information was compiled by one service provider based on 5,940 homeless clients served during one month:

- Of the 5,940 persons assisted, 4,572 (77%) were families with children. 42% of the total (2,524) were children. The remaining 23% were individual adults.
- 60% had lived in Orange County at least 10 years.
- 40% were mentally disabled, and 10% of those also had physical or sensory disabilities.
- Many were employed full-time.
- Many were not receiving governmental assistance (AFDC, General Relief, etc.) due to ignorance of these programs or processing requirements.
- Those wishing to work had difficulty finding jobs due to lack of a mailing address, phone, bathing facilities, and in the case of single parents, low-cost child care facilities.

The Homeless Issues Task Force, in cooperation with the County, is currently (June 1989) preparing a survey of homeless persons. The results of this survey should be available by September 1989. In addition, the 1990 Census will aggressively attempt to enumerate the homeless.

Existing Services and Facilities

The Comprehensive Homeless Assistance Plan includes an inventory of existing facilities that provide services and shelter to the homeless. These facilities are summarized below:

o Women's Transitional Living Center (domestic violence)	75 beds
o Christian Temporary Housing Facility	60 beds
o Interval House (domestic violence)	24 beds
o Orange Coast Interfaith Shelter	20 beds
o Dayle McIntosh Center (handicapped)	6 beds
o Episcopal Service Alliance, Martha House (women)	10 beds
o Orangewood Childrens Home (dependent children)	186 beds
o Emergency Shelter Housing (children)	98 beds
o Irvine Temporary Housing	20 beds
o Brothers of Charity	30 beds
o YWCA (women)	20 beds
o Salvation Army	76 beds
o Alcohol Program (de-tox/recovery)	154 beds
o Drug Residential Program	131 beds
o Psychiatric Inpatient Hospitalization	299 beds
o Transitional Living Center (mentally ill adults)	30 beds
Total	1,239 beds

In addition to these facilities, the National Guard Armories provide 250 beds during harsh weather conditions.

Two county parks, Featherly and O'Neill, are used for overnight camping. Approximately 5 percent of the campsites are used by the homeless (3% at Featherly and 2% at O'Neill). Camping stay is limited to 15 days maximum within any calendar month. Extension of

the camping stay limit has been considered but no time frame has been established.

Motels offer a supply of temporary family housing but even modest units may cost $30 per day and, in many cases, are not in livable condition.

Orange County Housing Authority maintains an inventory of Emergency/Temporary Housing Facilities (see P. H 5-16, Housing Referral Directory).

Revenue sharing funds and private donations provide most of the funding used for emergency housing. Community Development Block Grant funding has been used for acquisition of two battered women's facilities, one family facility, and a facility for children.

Costs incurred by service agencies can be divided into facility costs and maintenance costs. The Christian Temporary Housing Facility budget states a cost of $10.00 a day per person, excluding the retirement of building loan and up-front structure costs.

g. Asian Pacific Immigrants and Refugees

During the past five years, between 100,000 and 200,000 Asian-Pacific immigrants and refugees have settled in Orange County. The majority of these people have settled in the northern part of the county, specifically in the cities of Anaheim, Costa Mesa, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Orange, Santa Ana, and Westminster. However, a large number of these people have migrated to South County cities and unincorporated areas such as Irvine, Mission Viejo, San Clemente, Lake Forest, El Toro, Saddleback Valley and Laguna Hills.

In addition to those immigrants and refugees who have settled in Orange County in the past five years, a new influx of Taiwanese and Chinese immigrants has begun. This influx is coming from Los Angeles County cities bordering on the Orange County line. As affordable housing opportunities in these border cities (predominantly Cerritos, Hacienda Heights and La Puente) become scarce, the newly arrived immigrants and refugees move into Orange County cities, most notably Brea, Cypress, La Habra and Yorba Linda.

This influx of refugees has exacerbated the tight housing market for low- and moderatly-low-income families. Immigrants and refugees are particularly hand-hit because they tend to have larger households than the county as a whole and for most, for an initial period of time, also undergo a naturalization process. The supply of large family houses and apartments affordable to low-income households is inadequate, resulting in frequent cases of overcrowding and other poor living conditions which result in additional personal problems.

In January 1981, the Orange County Human Relations Commission published a "Report on the Impact of Refugee Resettlement in Orange County" that examined the problems of refugees in the areas of education, housing, employment, health, criminal justice and public assistance. In reviewing the housing problems of refugees, the report concluded that the housing problems of refugees could not be isolated from those of other groups and "that the refugee-specific problems could only be solved through a comprehensive and aggressive approach to the countywide housing situation."

Overall, the influx of newly arrived Asian-Pacific groups from at least 16 different countries in the Pacific Rim will continue to exacerbate the lack of affordable low-income housing in all areas of the County. It is projected that the number of Asian-Pacifics, the fastest growing ethnic group in Southern California, will continue to increase over the next few years creating a critical need to focus housing assistance in provision of affordable low-income units.

D. Housing Stock Characteristics

1. Structure Type and Tenure

Large multi-unit structures represent the largest share of annual added units in Orange County between January 1, 1987 and January 1, 1988, followed by single family units. In the unincorporated areas, a total of 128,454 residential units were located there as of January 1, 1988. Single family detached homes represented the majority of units at 76,603. Units in large multi-family structures totaled 25,690, followed by single family attached units at 13,156, the duplex to fourplex category at 10,703 and mobile homes at 2,302.

Rentals represent a significant number of the affordable units planned and constructed to meet the County's affordable housing requirements. This is particularly true as evidenced by recent activity under the Housing Opportunity Program (HOP).

The County's Multi-family Revenue Bond Program has also functioned as a stimulus for the production of rentals in Orange County. This program was implemented in 1982 to provide below market financing to builders for the construction of multiple family rental units in participating cities and the unincorporated area of the County. Information summarizing the Multi-family Revenue Bond Program is found on page H 3-12 of this document.

The Orange County Assessor File was used to provide an updated estimate of the number of rental units in the County as of March 31, 1988. Households filing a homeowner exemption with the County Assessor were separated from all households in order to obtain an estimate of rental units vs. owner-occupied units in Orange County. While homeowner exemptions are not filed by every homeowner in the County, those that do not file are not believed to be significant in number.

Of the total households reflected on the March 1988 Assessor's roll countywide, 47 percent filed homeowner exemptions, while 53 percent are assumed to be renters. In the unincorporated area, 43 percent of the households are estimated renters, while 57 percent are homeowners.

2. Overcrowding Status

The standard measure of overcrowded housing used by the U.S. Census Bureau is a ratio of more than one person per room, excluding kitchens and bathrooms. For example, a typical two-bedroom apartment with living room, kitchen and one bathroom (three rooms total) would be considered overcrowded if it were occupied by more than three persons.

According to the 1980 Census, overcrowding (1.01 or more person per room) is much more prevalent among renters at all geographic levels. The Census data also showed that overcrowded housing was much less of a problem in unincorporated areas of the county than in the county as a whole. Among rental units, almost 10 percent were defined as overcrowded countywide, while in unincorporated areas this figure was only 6 percent. Overcrowding was almost non-existent among owner-occupied units in unincorporated areas (1 percent); countywide the figure was 3 percent.

It should be noted that for purposes of determining compliance with fair housing laws, different definitions of overcrowding are used. For example, the State Department of Fair Employment and Housing utilizes a threshold of two persons per bedroom plus one additional person, with occupancy limits more restrictive than this raising a potential discrimination challenge. The Uniform Housing Code states:

"Every dwelling unit shall have at least one room which shall have not less than 150 square feet of floor area. Other habitable rooms, except kitchens, shall have an area of not less than 70 square feet. Where more than two persons occupy a room used for sleeping purposes, the required floor area shall be increased at the rate of 50 square feet for each additional occupant in excess of two."

3. Condition of Housing Stock

A direct measure of housing stock condition is not available. A field survey of housing condition is not practical given the size of the geographic area involved, staff and budget constraints.

Orange County's housing stock is in better condition than that of California as a whole.

One indicator of housing stock condition is units defined as substandard. The Housing Assistance Plan, in determining the number of units suitable for rehabilitation, uses 1980 Census data as adjusted by the Southern California Association of Governments. Substandard units are those that do not comply with Section 8 Existing Housing Quality Standards for occupancy. The 1988 Housing Assistance Plan states that 17,657 units are classified as substandard, broken down as follows:

Substandard dwelling units total:	17,657
Owner-occupied:	998
Vacant:	555
Renter-occupied:	7,659
Vacant:	388
Suitable for rehabilitation and occupied:	8,398
Low-income occupant:	1,446
Vacant:	391
Renter-Occupied:	6,532
Lower-income occupant:	2,644
Vacant:	234

A second definition of substandard units employed by the County is "substandard beyond repair." This includes units that are not economically feasible to repair (i.e., the rehabilitation costs exceed the appraised value of the property minus the lot). The number of substandard units in this latter category is unknown.

E. Housing Cost

1. Existing Home Prices

Data regarding sales prices for existing single family detached houses is shown in Table 2-10. Sales price distribution is compiled from transactions that occurred during 1988.

The table indicates that 33 percent of all units were priced at $250,000 and over. Only 45 percent of transactions involved homes priced below $200,000.

2. Financing Costs

The full impact of rising mortgage rates upon potential homebuyers becomes apparent when hypothetical monthly payment schedules are examined. Table 2-11 shows the monthly payments and annual household incomes required to qualify for loans at interest rates ranging from 8 to 13 percent. For example, a family seeking to buy an averaged-priced housing unit in Orange County in 1988, with the payment required with a 10 percent interest rate would be about $1,827 per month; at 13 percent the monthly payment becomes $2,237. These hypothetical cases underscore the critical importance of financing in the real estate market.

3. Housing Costs vs. Ability to Pay

The spectacular increase in home values in Orange County has not been matched in the rental market. As Table 2-12 indicates, rent increases have been rather modest by comparison. While homes were appreciating at annual rates above 20 percent during the late 1970s, rents were typically increasing 8-10 percent annually.

TABLE 2-10
Price Distribution of Existing
Single-Family Detached Home Sales*
Orange County
1988

Price	Sales	Percent
Under $ 50,000	6	0.04
$ 50,000 - 59,000	14	0.09
$ 60,000 - 69,000	20	0.14
$ 70,000 - 79,000	58	0.39
$ 80,000 - 89,000	76	0.52
$ 90,000 - 99,000	124	0.84
$ 100,000 - 119,000	457	3.10
$ 120,000 - 139,000	952	5.45
$ 140,000 - 159,000	1,325	8.98
$ 160,000 - 179,000	1,797	12.18
$ 180,000 - 199,000	1,816	12.31
$ 200,000 - 249,000	3,199	21.69
$ 250,000 and over	4,905	33.26
Total	14,749	100.00

* Based on a monthly sales survey of existing homes conducted by California Association of Realtors using data on closed escrow sales provided by various boards of realtors.

Sources:
California Association of Realtors.
EMA/Advance Planning Division.

TABLE 2-11

Monthly Payments and Household Income Required
to Purchase a Average-Priced New Home in Orange County*
February 1989

Interest Rate	Monthly Payment a/	Annual Income Required b/
8%	$1,569	$65,898
9%	$1,696	$71,232
10%	$1,827	$76,734
11%	$1,961	$82,362
12%	$2,097	$88,074
13%	$2,237	$93,954

* Average price for recorded new and existing homes sales for the month of February 1989 was $224,057, per TRW.

Notes:

a/ Assumes a 30-year fixed rate mortgage with 20% down payment, property tax of 1.2% of home value per year, $30 monthly property insurance. A monthly homeowners association dues is not take into account.

b/ Assumes 3.5-to-1 income to payment qualifying ratio.

Source:
TRW Real Estate Market Information
EMA/Advance Planning Division

TABLE 2-12

Residential Rent Index: 1978-1988
Los Angeles/Orange County MSAs

Year	Index a/	Annual Charge (%) b/
1978	61.4	-
1979	68.0	10.7
1980	76.6	12.6
1981	85.3	11.4
1982	93.5	9.6
1983	99.6	6.5
1984	106.9	7.3
1985	115.6	8.1
1986	123.8	7.1
1987	130.5	5.4
1988 c/	135.8	4.5

Note: a/ This index is a component of the consumer Price Index.
b/ Average Annual compound rate of income.
c/ Through September only

Sources: Real Estate Research Council of Southern California
<u>Real Estate and Construction Report</u>, Third Quarter 1988, p.42.

County of Orange, EMA/Advance Planning Division

Home price and rent statistics tell only half the story on housing costs. Although prices and rents in Orange County are high in comparison to other areas, incomes are also higher than average. In order to accurately evaluate shelter costs it is important to compare monthly housing expenditures to incomes. In general, financial advisors recommend that housing expenditures should not exceed 25 to 30 percent of gross household income. Expense ratios above this standard are considered overpayment. In middle- and upper-income categories this situation may be only a temporary inconvenience, such as when young professionals stretch to buy their first house. For low-income households, however, overpayment for housing may result in an inadequate budget for food, clothing, health care or other necessities.

Table 2-13 presents housing cost to income ratios for owner occupied units. These statistics are derived from 1980 Census data, which utilize 1979 calendar year income figures. As Table 2-13 illustrates, median monthly housing expenses for owner-occupied units in the unincorporated area exceeded 25 percent of income in all but the highest ($20,000+) income category. In the county as a whole, overpayment was somewhat less common, although still the norm in low-income households.

The 1980 census statistics for renter-occupied units are very similar to those for owner-occupied units, although low-income renters generally paid a higher proportion of their income for housing than owners in similar financial brackets (see Table 2-14). This situation was reversed in the upper-income category, however, where renters generally paid a slightly smaller portion of their income for housing than did owners.

4. Residential Energy Cost

The distribution of household energy costs as a percentage of income for Orange County residents is presented in Table 2-15. According to the 1980 census, in both renter- and owner-occupied categories, the median energy cost was 1.5 percent of income. This relationship was true for both the unincorporated area and the county as a whole.

F. Regional Housing Needs Assessment

Current and projected housing needs for the unincorporated area are derived from the Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments (SCAG). RHNA projections are a direct indication of overpayment (i.e., household paying more than 30 percent of their income for housing). The current RHNA figures, shown in Table 2-16, were released in June 1988.

The RHNA is composed of two parts: Current needs and future needs.

TABLE 2-13

Household Income by Selected Monthly Owner Costs as percentage of Income
Owner-occupied Non-Condominium Housing Units
Orange County and California
1979

Pct. of Income	Orange County Unincorporated Area Households	Orange County Unincorporated Area Percent	Orange County Households	Orange County Percent	California Households	California Percent
Less than $5,000	1,520	100.0	10,476	100.0	219,010	100.0
Less than 20%	47	3.1	826	7.9	29,306	13.4
20 to 24%	54	3.6	626	6.0	18,456	8.4
25 to 34%	94	6.2	788	7.5	25,767	11.8
35% or more	937	61.6	6,206	59.2	114,577	52.3
Not computed	388	25.5	2,030	19.4	30,904	14.1
Median		Over 35%		Over 35%		Over 35%
$5,000 to $9,999	1.871	100.0	14,856	100.0	332,502	100.0
Less than 20%	296	15.8	4,243	28.6	144,279	43.4
20 to 24%	89	4.8	1,154	7.8	31.189	9.4
25 to 34%	251	13.4	2,111	14.2	46,354	13.9
35% or more	1,235	66.0	7,348	49.4	110,679	33.3
Not computed	--	--	--	--	--	--
Median		Over 35%		34.1		23.2
$10,000 to $14,999	2,655	100.0	20,271	100.0	390,440	100.0
Less than 20%	721	27.2	7,251	35.8	195,713	50.1
20 to 24%	240	9.0	2,228	11.0	41,110	10.5
25 to 34%	455	17.1	3,035	15.0	56,415	14.5
35% or more	1,239	46.7	7,757	38.2	97,202	24.9
Not computed	--	--	--	--	--	--
Median		32.6		26.7		Less than 20%
$15,000 to $19,999	3,576	100.0	25,781	100.0	446,484	100.0
Less than 20%	1,200	33.6	11,421	42.7	236,941	53.1
20 to 24%	381	10.7	2,922	10.9	50,551	11.3
25 to 34%	525	14.7	4,339	16.2	75,044	16.8
35% or more	1,470	41.0	8,099	30.2	83,948	18.8
Not computed	--	--	--	--	--	--
Median		29.4		22.9		Less than 20%
$20,000 or More	40,119	100.0	236,261	100.0	2,443,058	100.0
Less than 20%	20,606	51.4	145,398	61.6	1,678,993	68.7
20 to 24%	5,295	13.2	29,603	12.5	287,079	11.8
25 to 34%	8,149	20.3	38,046	16.1	323,007	13.2
35% or more	6,069	15.1	23,214	9.8	153,979	6.3
Not computed	--	--	--	--	--	--
Median		Less than 20%		Less than 20%		Less than 20%

Sources: 1980 Census, STF 3, Table 139
Orange County Administrative Office
Orange County EMA/Advance Planning Division

TABLE 2-14

Household Income by Selected Monthly Owner Costs as percentage of Income
Renter-Occupied Housing Units
Orange County and California
1979

Pct. of Income	Orange County Unincorporated Area Households	Orange County Unincorporated Area Percent	Orange County Households	Orange County Percent	California Households	California Percent
Less than $5,000	2,166	100.0	29,869	100.0	673,053	100.0
Less than 20%	6	0.3	173	0.6	11,165	1.7
20 to 24%	28	1.3	393	1.3	21,300	3.2
25 to 34%	64	3.0	923	3.1	43,496	6.5
35% or more	1,681	77.5	23,993	80.3	5102,000	74.6
Not computed	387	17.9	4,387	14.7	95,092	14.1
Median		Over 35%		Over 35%		Over 35%
$5,000 to $9,999	3,459	100.0	44,429	100.0	794,235	100.0
Less than 20%	100	2.9	776	1.7	47,839	6.0
20 to 24%	144	4.2	1,365	3.1	160,809	7.7
25 to 34%	471	13.6	4,943	11.1	183,259	23.1
35% or more	2,650	76.6	36,600	82.4	481,665	60.7
Not computed	94	2.7	745	1.7	20,663	2.6
Median		Over 35%		Over 35%		Over 35%
$10,000 to $14,999	4,299	100.0	52,287	100.0	731,277	100.0
Less than 20%	273	6.4	2,659	5.1	139,349	19.1
20 to 24%	346	8.0	5,397	10.3	145,911	20.0
25 to 34%	1,228	28.6	21,561	41.2	257,337	35.2
35% or more	2.367	55.0	22,064	42.2	172,384	23.6
Not computed	85	2.0	606	1.2	16,296	2.2
Median		Over 35%		32.7		27.3
$15,000 to $19,999	3,659	100.0	46,150	100.0	550,865	100.0
Less than 20%	609	16.6	8,745	18.9	2130,246	41.8
20 to 24%	788	21.5	13,932	30.2	137,500	25.0
25 to 34%	1,374	37.6	17,259	137.5	129,340	23.5
35% or more	819	22.4	5,822	12.6	42,924	7.8
Not computed	69	1.9	392	0.8	10,855	2.0
Median		27.4		24.6		21.3
$20,000 or More	9,518	100.0	94,494	100.0	958,021	100.0
Less than 20%	5,551	58.3	62,161	65.7	708,517	74.0
20 to 24%	1,986	20.9	19,165	20.3	142,531	14.9
25 to 34%	1,675	17.6	11,428	12.1	81,066	8.5
35% or more	179	1.9	825	0.9	5,773	0.6
Not computed	127	1.3	915	1.0	20,134	2.1
Median		Less than 20%		Less than 20%		Less than 20%

Sources: 1980 Census, STF 3, Table 139
Orange County Administrative Office
Orange County EMA/Advance Planning Division

TABLE 2-15

Tenure by Average Monthly Residential Energy Costs as Percentage of Income
Orange County
1979

Percent of Income	Orange County Households	Orange County Percent	Orange County Unincorporated Area Households	Orange County Unincorporated Area Percent
Owner-Occupied	415,127	100.0	72,088	100.0
No Charge	2,127	0.5	380	0.5
0.1 to 2%	265,384	63.9	47,951	66.5
3 to 4%	85,547	20.6	14,134	19.6
5 to 9%	41,174	9.9	6,076	8.4
10 to 14%	8,817	2.1	1,482	2.1
15 to 19%	3,083	0.7	441	0.6
20% or more	5,803	1.4	874	1.2
Not computed	3,192	0.8	750	1.0
Median	1.5%		1.5%	
Renter-Occupied	271,140	100.0	23,709	100.0
No Charge	36,721	13.5	2,880	12.1
0.1 to 2%	139,610	51.5	12,138	51.2
3 to 4%	45,615	16.8	4,279	18.0
5 to 9%	30,274	11.2	2,691	11.4
10 to 14%	7,180	2.6	675	2.8
15 to 19%	2,778	1.0	256	1.1
20% or more	5,011	1.8	445	1.9
Not computed	3,951	1.5	345	1.5
Median	1.5%		1.5%	

Sources: 1980 Census, STF 4A, Table HA 35
Orange County EMA/Advance Planning Division

TABLE 2-16

Regional Housing Needs Assessment for
Unincorporated Orange County
1988

Current Need

Very Low Income		Low Income		
Owner	Renter	Owner	Renter	Total
2,415	4,619	1,828	3,780	12,642

Future Need

Very Low	Low	Mod	High	Total
3,556	4,620	5,008	11,007	24,191

Source: Regional Housing Needs Assessment for Southern California, Southern California Association of Governments, June 1988.

1. Current needs

According to the RHNA, in the unincorporated area there are currently (1988) a total of 123,246 households. Of these, 12,640 (10%) are lower-income households "in need" (households paying an inordinate amount for housing) in the unincorporated areas of Orange County (Table 2-16). These households are distributed according to income category (low vs. very low) and tenure.

(Note: These figures include the incorporated cities of Mission Viejo and Dana Point.)

2. Future needs

Projected future needs, presented in Table 2-16, are based upon the projected five-year growth in the unincorporated area, adjusted for vacancy and the local income distribution. For the 1989-94 period, it is estimated that 24,191 housing units will be required in the unincorporated area. This growth need is distributed according to income category as follows:

	5-Year Growth Need	
Income Category	Units	Pct. of Total
Very low (0-50%)	3,556	14.7
Low (50%-80%)	4,620	19.1
Moderate (90-120%)	5,008	20.7
Upper (Over 120%)	11,007	45.5
	24,191	100.00

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CHAPTER THREE: POTENTIAL CONSTRAINTS ON HOUSING DEVELOPMENT AND IMPROVEMENT

A. Land Use Controls, Land Availability and Suitable Sites

1. Land Use Controls: Public and Private

a. Public

Land use controls can pose a potential constraint to development. On the one hand, to the extent that such controls reflect underlying physical constraints, infrastructure capacity limitation and market demand, they do not, in themselves, constrain development or add to its cost. On the other hand, to the extent that such controls are independent of, or in excess of, more fundamental constraints, they can unnecessarily constrain a competitive land market and otherwise impede feasible development, thus adding to shelter costs. While the extent of such effects is controversial, there is general recognition that they may be significant. Identifying, understanding, and addressing these constraints is essential in order to carry out the County's commitment to facilitate adequate housing development.

Under state law, local government must plan and control the use of all private and public land. With landowner and public participation, the County determines broad land use designations and specific zoning for the unincorporated area.

The Land Use Element (LUE) map identifies potential areas for development. Within general public facility constraints, market forces will determine the exact location and timing of development.

The Land Use Element has eight land use designations. Residential development is permitted in the following categories at indicated densities:

Categories	Dwelling Units Per Acre
Rural Residential	0.025 - 0.5
Suburban Residential	0.5 - 18
Urban Residential	18 and above
Urban Activity Center	Per Zoning Regulations

The Rural Residential category is applied to areas in which limited residential use is compatible with the natural character of the terrain and availability of infrastructure. The intensity of development of these areas is thus severely constrained.

The Suburban Residential category is characterized by a wide range of housing types from estate to attached dwelling units (townhomes, condominiums, apartments and clustered arrangements). This category permits considerable flexibility for residential development. Site-specific considerations and infrastructure capacity will determine densities permitted for project proposal.

The Urban Residential category is applied to areas where intensive residential development is compatible with surrounding urban development. Development within this category is characterized by intensive multiple-family residential uses such as apartment, condominium, townhouse and clustered residential units. Though this category is the most conducive for affordable housing, it is also the most demanding on infrastructure capacity.

The Urban Activity Center category is intended to facilitate high-intensity focal points for the community, with a mix of residential, business, cultural, and public facilities. These centers are located adjacent to major transportation corridors to allow the most efficient use of the circulation system, including transit.

Urban Activity Centers, due to their diversity of uses, are, at times, located in areas significantly impacted by noise. The major sources of significant noise in Orange County are aircraft and highway vehicles. While both can usually be mitigated to acceptable levels indoors, aircraft noise cannot be mitigated outdoors because of its overhead source. State law and County policy prohibit residential development and similar uses in high-noise (+65 CNEL) areas near El Toro Marine Corps Air Station and John Wayne Airport. (Residential land use is the most sensitive because of the nature of activities which occur over a 24-hour period as well as the generally accepted need for, and design incorporating, outdoor living areas.) These policies thus preclude residential development in certain areas or, if approved, may increase development costs due to required attenuation measures.

The Orange County Zoning Code enables implementation of the General Plan through either conventional or planned community zoning. The nature and complexity of zoning can be a short-term constraint to development if project design is inconsistent with zoning.

The zoning of property is a local option granted to each jurisdiction by state legislation. The County of Orange has opted to zone property and has wide discretion regarding the substance of its code (e.g., type and intensity of uses permitted, site development standards, etc.). It may permit uses outright or by further discretionary review, e.g., by use permit. The County has moved away from a rigid code and, instead, has granted greater flexibility via use permits and site plans. Such flexibility comes at a cost, however, because discretionary review prolongs processing time and does not assure a specific outcome.

b. Private

The unincorporated area is characterized by several large landowners that plan, develop, market and, in some cases, build housing. These planned communities have been a widely noted

feature of the county's development. They have greatly facilitated the implementation of many County policies such as the General Plan's balanced land use objectives and Growth Management Program, since the County can essentially work with one large developer instead of many small developers. At the same time, planned community owners/developers have independent strategies and quality standards for development that may impose constraints beyond those contained in County land use regulations.

2. Adequacy of Residential Land Approvals and Inventory of Residential Sites.

The General Plan Land Use Element commits the County to the following policy:

> To provide a variety of residential densities that permit a mix of housing opportunities affordable to the county's labor force.

The Growth Management Program (GMP), described in the Land Use Element, implements Phased Development requiring project proponents to submit annual monitoring reports (AMRs) which project future development activity, identify public service deficiencies, and identify mitigation measures. This practice of submitting AMRs is intended to enable the County and the private sector to identify and resolve potential deficiencies before they restrict development. This is essential for continued availability of land for residential development. The GMP will be evaluated periodically to determine if the goal is being adequately met.

The County, on August 3, 1988, adopted a new Growth Management Plan Element (GMPE) which is the most current expression of county growth management policies and is an extension of the LUE Growth Management Program. The Element contains County policies on the planning and provision of traffic improvements and public facilities that are necessary for orderly growth and development. A major goal of the Growth Management Plan Element is to ensure that traffic improvements and public facilities are planned and implemented in an efficient, timely manner to meet the current and projected needs of Orange County.

The County recognizes that whether projected needs are met will depend on many factors in addition to the adequacy of residential development approvals. These other factors include market conditions, governmental financial constraints, and private development decisions. Together with infrastructure availability, interest rates, etc., these factors will also determine the pace of housing development.

As required by Government Code Section 65583(a)(3), the County has prepared a detailed inventory of land suitable for residential development or redevelopment, along with an estimate of the amount of growth that can be accommodated during the time frame of the Housing Element (1989-94). This material is contained in Appendix B. The

purpose of this inventory is to demonstrate that the County has designated and planned for sufficient residential sites to accommodate the level of growth indicated in the Regional Housing Needs Assessment and the County's quantified objectives for new housing development.

3. Agricultural Preserves

The County's agricultural preserve policy implemented in 1969 was intended to provide time to plan and develop mechanisms to preserve agricultural land. These policies are contained in the Resources Element of the General Plan.

The state enacted the Williamson Act in 1965 in response to increasing land taxes which were forcing agricultural land into more intensive uses. The act assesses agricultural land at a lower rate than non-agricultural land. In exchange, landowners enter an agreement with the local jurisdiction to limit uses on the contracted land for at least 10 years. There are approximately 63,000 acres within the county held as agricultural preserves under Williamson Act provisions. Since 1980, approximately 13,000 acres have been removed from agricultural preserves and subsequently planned for urban development.

The land inventory analysis contained in Appendix B concludes that there currently are sufficient residential sites designated for development (i.e., General Plan and zoning entitlements) to accommodate future 5-year needs, and agricultural preserves do not pose a constraint to development. If this situation were to change in the future, the County's agricultural preserve policy may need to be reconsidered.

B. Site Improvement Requirements, Fees and Exactions

The General Plan, the Zoning Ordinance, planned community regulations, coastal plans and specific plans provide the goals, policies and regulations for planning and development in Orange County.

The primary purpose of Orange County's planning process is to provide a balanced living environment so that all economic segments may enjoy a full complement of public services. To achieve this goal, the County imposes site improvement requirements upon new development projects.

As part of its project review and approval procedures, the County frequently recommends conditions of approval for General Plan amendments, zone changes, discretionary permits (e.g., use permits, site plans, etc.) and subdivision maps. These conditions are imposed in accordance with state law and County policy, and they address matters of public concern as they relate to specific projects. Most development conditions have been standardized to ensure equitable administration of the approval process. Development conditions are reviewed on a regular basis by the County to ensure that they are applied consistently and that they are reasonably related to the use for which the property is intended.

The following are examples of development conditions imposed upon residential projects. When not precluded by public safety considerations, modifications of these requirements are granted by the County in order to reduce project development costs and increase affordable housing production.

1. Grading

   These requirements address both geological conditions and aesthetic impacts, e.g., preservation/enhancement of views, landforms, screening, landscaping, etc. They are usually applied at the site-specific level. Modifications in the form of less contour grading, fewer manufactured berms, increased grading area allowances, etc. have been approved for affordable housing projects.

2. Historic Sites

   Requirements addressing conservation of historic resources located within proposed projects are usually applied at the site-specific level of approval. Reduction of standards for the size of sites to be preserved or restricted from development have been approved for affordable housing projects.

3. Regional Park and Open Space Requirements

   In conjunction with the approval of residential General Plan amendments or zone change, regional park and open space requirements are imposed for the dedications of regional and community open space and recreation areas. Since the cost of housing may be affected by the size and value of such dedication areas, reductions in requirements and increases in density have been provided to effect cost savings. Reduced park and open space dedication requirements and the corresponding cost savings are achieved at the expense of environmental quality, however.

4. Archaeological/Paleontological Sites

   These requirements address reporting, preservation, and salvage of sites and artifacts. Changes to substantive reporting requirements and the preservation of sites in lieu of salvage excavation and/or the capping and developing of sites have been approved for some projects to cut costs.

   Board of Supervisors policy permits the County to pay the cost of salvage when funds have been budgeted from building permit fees for that purpose. The possibility was explored in 1986-87 for budgeting H/CD funds for payment of salvage on affordable housing projects but was found infeasible.

5. Landscaping Requirements

   These requirements address screening and scenic enhancement and are usually applied at the site-specific level.

Modifications have been permitted for some projects in the form of reduced plant coverage and the use of less expensive species. Lowered landscaping costs help reduce the cost of affordable housing.

6. Parks and Recreation Requirements

   These requirements apply to local parks and park improvements. County exactions for parkland are guided by the appropriate sections of the state Subdivision Map Act (California Government Code Section 66475-66478) incorporating provisions of the Quimby Act (SB 1785), which permit local agencies to require developers to provide parkland at the rate of up to three acres per thousand population. The County requires two and one-half acres of parkland per thousand population, which is less than the maximum permitted by state law. In addition, policies contained in the Recreation Element allow up to 25 percent of this requirement to be satisfied by private recreational facilities within planned communities and up to 100 percent of the requirement in other areas.

7. Transportation Facilities Requirements

   These requirements consist of private sector assistance through the County's Major Thoroughfare and Bridge Fee Program. Payment of fees has been postponed for affordable housing projects resulting in development cost savings.

8. Site Development Standards

   These requirements are established through land use regulations. Modification of standards for building height, setback, and parking requirements often results in cost savings for affordable housing projects.

   In response to the need for affordable housing, the County adopted an Affordable Housing Incentive Use Permit procedure (Section 7-9-140 of the Orange County Zoning Code). The purpose of this ordinance is to permit deviations from site development standards that provide flexibility for builders in order to deliver a more affordable product.

   The extent to which the site development requirements discussed above are applied to residential projects is based upon an evaluation by decision makers of their effect upon the quality, quantity and cost of housing to be produced.

C. Building Code and Enforcement

The basic purpose of the Building Code and its enforcement is to protect the public from unsafe buildings and unsafe conditions associated with construction. However, constantly changing materials and construction techniques make it essential to continually review and update the Building Code to avoid obsolescence and ensure that health and safety standards are maintained. Such code maintenance also provides an opportunity to ensure that the code does not mandate unnecessarily costly materials or

construction techniques. Accordingly, the Building Code is similar to those used by other local agencies in California, and does not present any special constraints to the development of housing.

D. Processing Requirements

The California Government Code establishes permitted time periods for local agencies to review and act upon private development proposals. Examples of such restrictions for several discretionary permits are identified in Figure 3-1, "Comparative Development Processing Time Limits." Typically, state restrictions, especially those imposed by the California Environmental Quality Act (CEQA), are much less stringent than those set by County policy. The county strives to complete all project reviews within the time limitations defined by County policy regardless of state allowances.

An amendment to the California Government Code (Section 65862) permits concurrent processing of applications for general plan amendments and zone changes when inconsistency between the general plan and zoning is the result of a general plan amendment or element adoption. The Board of Supervisors, in 1980, approved a policy to encourage concurrent processing of development proposals, when appropriate, in order to reduce processing time. Concurrent processing is permitted for the following actions:

1. Zone Change - use permit - tentative tract map

2. Zone Change - tentative tract map

3. Zone Change - use permit

4. Zone Change - site plan

5. Zone Change - tentative tract map - use permit - site plan

   (These planning activities may also include a general plan amendment as cited in Section 65862 of the California Government Code.)

E. State-Imposed Requirements

1. California Environmental Quality Act (CEQA)

   The environmental review process generally constrains the development process by increasing project processing time. CEQA review, which is mandated by the state, can cause unavoidable processing delays that ultimately result in additional costs to the home buyers.

   In an effort to streamline the environmental review process, the county implemented the Master Environmental Assessment (MEA) Program to achieve the following goals:

   a. Centralize and improve data accessibility.

   b. Expedite the environmental review process.

FIGURE 3-1

COMPARATIVE DEVELOPMENT PROCESSING TIME LIMITS

Item	State Maximum	County Policy
General Plan Amendments	None	None
Zone Changes	None	None
Subdivisions		
o Action on Tentative Maps	50 days	50 days
Environmental Documentation		
o Additional Data Needed -- Notice to Applicant	30 days	5 working days
o Determination of Negative Declaration or EIR Requirement for project	45 days	20 working days
o Completion of Negative Declarations	60 days	14 days
o Certification of Final EIR	1 year	1 year
Variances, Use Permits, Site Plans, Grading Permits		
o Additional Data needed -- Notice to applicant	30 days	30 days
o Final Action on Project	1 year	1 year
Building Permits	None	None

c. Minimize development costs.

d. Ensure responsible development patterns.

e. Develop more specific performance standards from which to assess the viability of projects.

The MEA serves to streamline the environmental review process from the research and analysis stage of a project through the decision-making phase. This results in shorter processing times, which is ultimately a cost cutting measure resulting in lower unit prices or rents.

In Fiscal Year 1987-88 projects were submitted to the Environmental and Special Projects Division (ESP) for environmental review. Of the total number of projects submitted, 2 were determined to have the potential for significant impact on the environment and were required to submit an EIR. In Orange County unincorporated areas, delays caused as a result of the EIR process affect a minor portion of projects submitted for processing.

2. Article 34

Article 34 of the California Constitution requires that any low-rent housing projects "developed, constructed, or acquired in any manner" by any state public agency receive voter approval. A voter referendum must be held whether or not there are local costs associated with development and operation.

The requirements of Article 34 have imposed a barrier to development of housing for low-income families by state and local agencies not generally incurred by comparable development undertaken by the private sector. This requirement has discouraged many communities from seeking federal and state housing assistance. In addition, the resulting delays are a major factor in the already difficult task of developing affordable housing for those of low income.

Article 34 was designed by its backers as a mechanism for constraining the development of the traditional public housing projects, and in most instances has accomplished that end. Although these provisions have slowed the development of housing for low-income, aged, and handicapped persons, many communities have gone to the electorate and received approval for public housing developments.

In June 1980, a general Article 34 authorization was passed in the unincorporated county and 11 cities. The effectiveness of such an election is now questionable in light of the recent California Supreme Court case of Davis vs. the City of Berkeley (1988) 47 Cal. 3d 512 which invalidated a general authorization adopted by Berkeley voters. That decision is currently being reheard by the Supreme Court.

3. Building Energy Standards for Residential Development (Title 24)

On September 25, 1981 the state Building Standards Commission adopted revised building energy standards for new residential development. These standards, which went into effect on July 13, 1982, established energy budgets (maximum energy use levels) for residential buildings for each of the 16 established climate zones in California.

The cost of complying with these standards can range from $500 to $17,000 depending on the package type and climate zone.[1]

Additional information regarding energy conservation is provided in Appendix E.

F. Cost of Land, Construction and Financing

1. Cost of Land

Residential land prices in Orange County have risen dramatically since the early 1980s. According to the Construction Industry Research Board, the cost of improved land in 1989 accounts for 35% of the total cost of a single family house compared to 27.8% in 1980.

2. Construction Costs

Construction costs for residential units have increased rapidly over the past decade. Land prices, together with construction costs, have pushed up the cost of housing greatly.

In a market study prepared for the County in 1983, the Land Economics Group developed six construction scenarios based on types of units and quality of construction. Square foot costs were translated into construction cost by unit adjusted for Orange County. Average construction cost in Orange County during 1983 for a single family detached dwelling was $46 per square foot; for a condominium townhouse, it was $32 per square foot, and apartment averaged $37 per square foot. Minimum prices ranged from $40,670 to $51,640 per unit for an apartment, $40,190 to $68,900 for a townhouse, and $58,590 to $70,980 for a single-family detached house.

Lower sales prices could result from a reduction in amenities or quality of materials (above a minimum level consistent with health and safety and adequate performance). To the developer and home-buyer, interest rates have the greatest impact on the ability to construct or purchase a home. Interest rates, however, are determined by national policies and economic conditions, and there is little that local governments can do to affect these rates.

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[1] Title 24 compliance costs based upon CEC (low end) and Southern California builders (high end) estimates.

3. Financing Costs

a. Orange County Revenue Bond Program

The County of Orange has established two revenue bond housing programs to increase the supply of affordable housing stock in the county. Under these programs, tax-exempt bonds are issued to provide funds for construction and mortgage loans to encourage developers to provide both rental and for sale housing which is affordable to income qualified families and individuals.

Authority for use of tax-exempt financing is governed by the Internal Revenue Code which sets a ceiling or cap on the volume of tax-exempt "private activity bonds" that each state can issue each year. Private activity bonds include qualified mortgage bonds issued for private uses and other projects such as Industrial Development Bonds and student loans. Each state can choose the volume of each bond type it issues, as long as the overall cap is not exceeded. For the calendar year 1988 the statewide ceiling was $1,349,050,000. By setting a nationwide volume cap, the Federal Government controls the amount of tax-exempt private activity bonds available. The volume cap is not an allocation of Federal dollars, but rather a limit on the authority to issue these types of bonds.

The funding for these projects comes from the investors who purchase these bonds and receive in return interest earnings that are exempt from Federal Income taxation. Debt service for principal and interest payments to the investors is paid back by the home mortgage payments in the case of single family issues or the rental payments in the case of multi-family bond issues.

(1) Single Family Residential Mortgage Revenue Bond Program

The Single Family Residential Mortgage Revenue Bond Program has existed in Orange County since 1980. The program is designed to provide mortgage loans to first-time homebuyers whose incomes do not exceed maximum Federal limits. Buyers must also intend to live in the homes as their principal residence. Mortgage loans offered under the bond program generally have lower interest rates than conventional loans. Loans are made available for attached and detached single family residences primarily in eligible developments at various locations throughout the County. A smaller portion of funds is available for existing or resale units Countywide.

Since the inception of the Program, lower cost mortgage loans have been made available for approximately seven thousand single family residences. (Statistics represent data through June 1988).

The following is a summary of the Single Family Residential Mortgage Revenue Bond issues by year.

Year	Number of Issues	Total Bond Issues
1980	1	$100,000,000
1982	3	129,345,000
1983	2	147,800,000
1984	1	55,800,00
1985	1	58,999,870
1987	1	32,194,540
1988	1	27,687,744
TOTAL	10	$551,827,154

(2) Multi-family Revenue Bond Program

The Multi-family Revenue Bond Program was developed in Orange County in 1982. This program is designed to make financing available to developers for the construction of multi-family residential rental units in the County. In order to receive financing through the bond program, developers must reserve fo 10 years, 20 percent of the units for rental by families or individuals who earn 80 percent or less of the median family income in Orange County. In addition, for recent projects, half of the so-designated units must be reserved for occupany on a priority basis for tenants who generally earn 50 percent or less of the median income. Furthermore, projects financed after the passage of the 1986 Tax Reform Act must commit 20 percent of the total units for income qualified tenants for a period of 15 years. Since the inception of the program, the County has issued bonds totaling $1,096,086,876 to develop 16,706 apartment units throughout the County. Of these, 3,991 have been designated for occupany by income qualified tenants. The following is a summary of the Multi-family Revenue Bond Program by year:

Year	Number of Issues	Total Bond Issues
1982	4	$ 40,137,200
1983	1	55,500,000
1984	8	115,690,000
1985	28	856,609,676
1986	1	7,000,000
1988	1	21,150,000
TOTAL	43	$1,096,086,876

Note: Statistics represent data through June 1988.

The program is designed for new projects that have not begun construction before County approval of a bond inducement resolution. (The County can issue bonds for existing rental developments provided the project is acquired after the date of inducement and at least 15% of the bond proceeds are spent to rehabilitate the property.)

b. Tax Increment Funds

Except as otherwise provided in Health and Safety Code Section 33334.2, not less then twenty percent (20%) of all taxes which are allocated to the Agency pursuant to Health and Safety Code Section 33670 shall be used by the Agency for the purpose of increasing and improving the County's supply of housing for persons and families of low or moderate income and very low-income households. The housing set-aside funds shall be placed in separate fund and taken off the top of tax increment received each year by the Agency prior to establishing an expenditure program for public works and other Agency activities each fiscal year. The funds available annually will depend upon the rate of property value appreciation within the project area. In addition to the mandatory set-aside requirement, the Neighborhood Development and Preservation (NDAPP) Plan calls for housing improvement and development as a central activity of the program.

(1) Home Improvement Program (HIP)

The Housing Improvement Program has as its goal the rehabilitation of existing homes that have deteriorated because of age, use, or deferred maintenance. The Program will provide low-interest loans, deferred payments loans, and grants for a variety of improvements aimed at bringing these homes to current standards for decent, safe, and sanitary housing.

Assistance will be directed to single-family and multi-family rental and ownership units under procedures established by the County Housing and Community Development Department (H/CD). Loans will be made through private financial institutions where appropriate agreements can be developed. Grants will be made directly to property owners.

Specific activities will include home improvements, reconstruction and additions, site improvements, loan processing and refinancing, contract administration, and construction inspection. Estimated production is based on the needs established by the current Housing Assistance Plan approved by the Board of Supervisors.

(2) New Housing Development Program (NHD)

The County's current H/CD program to promote the production of housing for low and moderate income residents of Orange County will continue under the Neighborhood Preservation and Improvement Plan. The New Housing Program assists private developers and non-profit.

CHAPTER FOUR: GOALS, QUANTIFIED OBJECTIVES AND POLICIES

A. Goals

The overall goal of the County Housing Element is as follows:

> Provide decent and adequate housing with respect to selection by type, price, and tenure in a satisfying environment for all persons regardless of age, race, sex, marital status, ethnic background, socio-economic status, or disability.

More specific goals and policies are described below.

Goal 1: HOUSING SUPPLY AND RESIDENTIAL CHOICE

An adequate supply of housing that varies sufficiently in cost, style, tenure, and neighborhood type to meet the economic and social needs of every existing and future resident of the county; and which provides sufficient housing opportunities for employees of county businesses and public service providers to ensure the continued economic vitality of the county.

Goal 2: EQUAL HOUSING OPPORTUNITY

Equal housing opportunities available to all persons without discrimination on the basis of race, religion, ethnicity, sex, age, marital status, or household composition.

Goal 3: HOUSING CONSERVATION AND NEIGHBORHOOD PRESERVATION

A structurally sound and well-maintained housing stock, and residential neighborhoods with adequate and coordinated public and private services and facilities, clean air, quiet and pleasant surroundings, reasonable assurances of safety and security, and a sense of community identity.

Goal 4: HOUSING COOPERATION AND COORDINATION

Countywide and regional coordination of housing, community and economic development activities, with private sector and citizen involvement.

B. Quantified Objectives

The California Government Code establishes specific Housing Element requirements, one of which is a statement regarding "...community goals, quantified objectives, and policies related to the maintenance, improvement and development of housing... (T)he quantified objectives need not be identical to the identified existing housing needs, but should establish the maximum number of housing units that can be constructed, rehabilitated, and conserved over a five-year time frame." (Section 65583(b))

The following quantified objectives have been developed in consideration of the County's goals, its fair share allocation of regional housing needs, and available financial resources and regulatory mechanisms.

Quantified objectives are established as follows for the period July 1989 to June 1994 and are summarized on Table 4-1.

1. New Construction

   a. Total New Units Added: 24,134

      This forecast is consistent with current County policy and Land Use Element assumptions. It includes only the unincorporated area and could be affected by future annexations or incorporations.

   b. New Affordable Units Added: 6,033

      Of the 24,134 new units added to the housing stock during the 1989-1994 time frame, 25 percent are designated as affordable to low- and moderate-income households. Low and moderate income is defined as 120 percent or less of the county median. Of this 25 percent, 10 percent (2,413) are designated for households earning 80 percent or less of the median income ("Low"), 10 percent (2,413) are designated for households earning between 81 and 100 percent of median income ("Moderate I") and 5 percent (1,207) are designated for households earning between 101 and 120 percent of median income ("Moderate II").

      This affordable housing objective includes units built pursuant to the Housing Opportunities Program as well as CDBG and redevelopment-funded units. It is recognized that significant financial subsidies and incentives will be necessary to achieve these objectives, especially in the low category.

      The Board of Supervisors has also indicated its intent to establish a quantified objective for the Very-Low-Income category (50 percent or less of median income). This figure will be based upon reasonable expectations of the financial resources available during the next five years (see Policy 1-X on P. H-4-6).

2. Existing Units Rehabilitated and Conserved

   a. Units Rehabilitated: 862

      Programs that assist in the rehabilitation of substandard housing include the Block Grant Home Improvement Program, the Rental Rehabilitation Program, and the Neighborhood Development and Preservation Program. The objectives for these programs for the 1989-94 period are as follows:

Block Grant Home Improvement Program	455
Rental Rehabilitation Program	357
Neighborhood Development and Preservation Program	50

      These objectives assume the continuance of federal and state funding at current levels.

TABLE 4-1
QUANTIFIED OBJECTIVES
July 1989 - June 1994

<u>New Construction</u>	
Total Units	24,134
Affordable Units	6,033
Very-low	*
Low	2,413
Moderate I	2,413
Moderate II	1,207
<u>Existing Units Rehabilitated and Conserved</u>	
Units Rehabilitated	862
Block Grant Home Improvement Program	455
Rental Rehabilitation Program	357
Neighborhood Development and Preservation Program	50
Units Conserved	387
Section 8 Certificate	340
Section 8 Voucher	24
Aftercare	23

* To be established.

b. Units Conserved: 387

This objective addresses programs that encourage the maintenance of affordable housing units. The two major programs that serve this function are the Section 8 Existing Rental Assistance program and the Aftercare Rental Assistance program. Both of these programs are administered by the Orange County Housing Authority (OCHA). It is estimated that 364 units will be available under the Section 8 Existing Rental Assistance program (340 Certificates and 24 Vouchers), and 23 units will be available under the Aftercare Rental Assistance program during this five-year time frame. These programs are discussed more fully in Chapter 5. Since these programs require certain property maintenance standards, they encourage conservation of these existing units.

In addition to these government programs to encourage conservation, there are private property maintenance agreements contained in condominium and planned-unit-development covenants, conditions and restrictions (CC&Rs). According to the Census Bureau, 17 percent of all housing units in the unincorporated county area were identified as condominiums in 1980. It is estimated that the majority of residential units built since then are also covered under CC&Rs, and this trend is expected to continue. These private maintenance agreements augment the County's conservation efforts because they require continuing maintenance and repair of the housing stock.

C. Policies

The following policies are intended to provide direction in decision-making and development of specific programs in support of the goals and quantified objectives.

1. Housing Supply and Residential Choice Policies

1-A To continue to support programs aimed at making affordable housing units available at a monthly cost no more than 25 percent to 30 percent of each household's gross monthly income, depending on income category. (See definitions in Appendix D, Housing Opportunities Program, Policies and Guidelines.)

1-B To continue to encourage coordination and uniformity in all regulations relating to housing in order to minimize processing times and costs.

1-C To continue to provide opportunities for new construction methods and housing types to increase the supply of housing for all segments of the population.

1-D To continue to implement existing financing mechanisms and stimulate the development of innovative financial techniques that will reduce housing cost.

1-E To continue to seek ways to reduce development processing and review time by County government to the maximum extent feasible, with special processing assistance for affordable housing projects.

1-F To maintain effective mechanisms for ensuring that the maximum feasible housing benefit is realized from public funds used to assist builders or consumers of housing, and to investigate mechanisms to recapture public funds when directly subsidized units are prematurely sold or otherwise withdrawn from the subsidizing program.

1-G To consider a zoning code amendment to allow transitional housing facilities as a permitted use in appropriate zoning districts without requiring a use permit.

1-H To continue to pursue land use policies and regulations which encourage manufactured housing as a means of reducing housing costs.

1-I To consider a zoning code amendment to amend selective existing commercial districts to allow residential use.

1-J To consider a density incentive for apartments, i.e., grant apartments a higher density than condominiums so apartment builders can better compete for available land.

1-K To consider establishing a minimum density "floor" below which land suitable for apartments could not be developed. The intent is to discourage the down-zoning of such parcels to lower density single-family residential uses.

1-L To continue to utilize County revenue bond financing or other private sector lending, for economically feasible apartment construction.

1-M To continue to coordinate infrastructure financing measures in order to reduce housing construction costs and minimize the financial burden on homeowners and renters.

1-N To continue to pursue all available state and federal financial assistance for the provision of low- and moderate-income housing.

1-O To continue to plan and zone land to encourage a wide variety of neighborhoods and housing opportunities affordable to the county's labor force.

1-P To continue to coordinate the location of major housing developments, particularly affordable housing and multi-family units, with existing and proposed highway and transit routes, major employment centers, shopping facilities, and other services.

1-Q To continue to encourage residential infill development to make efficient use of existing public facilities.

1-R To continue to support programs that address the housing needs of special groups such as the elderly, physically, mentally and developmentally disabled, farmworkers, those in need of temporary shelter, single-parent families, military personnel, large families, and refugees.

1-S To develop an in-lieu fee policy as an alternative method of complying with affordable housing requirements.

1-T To work with the BIA and other housing advocates to support increased state and federal tax incentives to encourage low-income housing construction and handicapped-accessible housing.

1-U To investigate the feasibility of participating in a regional employment/housing linkage program based on a survey of employee needs to assist in providing housing affordable to very-low and low-income workers.

1-V To develop a program designed to inventory and promote the preservation of existing federal-assisted affordable housing.

1-W To identify sites that are now available or easily made available for transitional shelters for homeless families.

1-X To pursue the establishment of a new income category to be affordable to very-low-income households (i.e., those with incomes of 50% or less of median) and to quantify the objective for this category based on an evaluation of available resources.

2. Equal Housing Opportunity Policies

2-A To continue to support actions to reduce regulatory constraints to housing which impede equal housing opportunities.

2-B To continue affirmative action efforts to provide equal opportunity in housing.

2-C To continue to support adequate relocation assistance to persons and families displaced by demolition or conversion of residential structures.

2-D To continue to encourage builders to provide ground floor units of rental and condominium projects which have one wheelchair accessible entrance and at least one bathroom that accommodates wheelchairs by:

- o Providing incentives and assistance to builders willing to build such units.

- o Distributing information to builders and offering them technical support in the design of adaptable/accessible housing units.

- o Undertaking a demonstration project with a willing builder and documenting and disseminating the results to other builders.

2-E To consider support of just cause eviction legislation at the state and federal level.

3. Housing Conservation and Neighborhood Preservation Policies

3-A To continue to promote the adequate provision of public facilities for all residents, especially to those whose needs are greatest.

3-B To continue to promote new housing that conserves land and resources and is cost efficient.

3-C To continue to support programs designed to encourage the maintenance and minor repair of structurally sound housing units to prevent their deterioration.

3-D To continue to support programs designed to rehabilitate deteriorated units.

3-E To continue to promote development design which provides for maximum possible residential security and safety.

3-F To continue to ensure that the conversion of rental units or mobile home parks to ownership or other uses occurs in a responsible manner to protect the rights of both owners and tenants.

3-G To continue to encourage voluntary compliance with weatherproofing measures to reduce utility costs, specifically: water heater insulation blankets, low-flow shower heads, ceiling insulation, caulking and weather stripping, and duct insulation.

4. Housing Cooperation and Coordination Policies

4-A To continue to monitor and participate in the activities of local governments, citizen groups and the private sector, as appropriate, to encourage the provision of adequate housing for all households.

4-B To continue to encourage coordination of housing, community and economic development activities among local governments in the county's housing market area.

4-C To continue to encourage recommendations from housing industry professionals in identifying opportunities for cost savings which will not adversely affect public health and safety.

4-D To support the establishment of a countywide housing task force and trust fund to assist in the development of transitional housing for homeless families and to assist the production of housing for very-low and low-income households, and support the efforts of existing local and regional non-profit housing development corporations to implement this policy. Potential funding sources could include CDBG monies, employment-housing linkage fees, hotel bed taxes, recapture of public funds, affordable housing in-lieu fees, state/federal grants, private donations, etc.

CHAPTER FIVE: IMPLEMENTATION PROGRAMS

A. Underlying Principles

The Orange County Housing Element is based on the following basic principles which govern its implementation programs.

1. The General Plan establishes the basic tenet of the Housing Element -- specifically, a balanced community concept that maximizes the availability of housing opportunities. A primary focus of County policy is to facilitate an adequate total supply of housing.

2. The Housing Element must be framed in such a way that it allows the public sector and the private sector to contribute to solutions by doing what each does best.

3. It is important to focus energies toward satisfying housing need on what can be done most effectively now, and programming activities beyond existing capability for later resource commitment and attention.

4. It is essential to conserve the valuable existing housing stock through a high degree of responsibility on the part of individual owners for maintaining the condition of existing housing, regardless of age.

5. It is essential to recognize that it has never been possible to build new for-sale housing at affordable prices for all income levels, and that housing for those households with lower incomes has traditionally been provided by the resale and rental market and by various government subsidy programs.

6. Orange County's housing and economic market forces should be used to the maximum extent to reach goals dealing with affordable housing.

7. The major thrust of investment of public funds in solving housing problems should be targeted specifically to those households having an annual income of less than 80 percent of the county's median family income.

B. Program Descriptions

In order to make adequate provision for the housing needs of all economic segments of the community, and meet or exceed the quantified objectives set forth in Chapter 4, the programs described on the following pages have been established.

1. Aftercare Rental Assistance Program

   a. Action: Provide rental assistance to handicapped and disabled very-low-income persons.

   b. Discussion: This is the only rental assistance program being implemented to serve disabled households earning less than 50% of the county median income (as established by HUD). The Aftercare Program was established through the state Department of Housing and Community Development (state HCD) in conjunction with the state Department of Health. Federal funding is provided to state HCD from HUD. The program operates in the same manner as the Section 8 Existing Rental Assistance Program (see p. H 5-22). Rental assistance is provided to eligible handicapped persons as an alternative to institutional living. A total of 166 units are administered by OCHA countywide under this program, with 23 of these in the unincorporated area.

c.	Source of Funds:	HUD/State HCD
d.	New or Existing Program	Existing
e.	Implementation Schedule:	Ongoing
f.	Responsible Agency:	Orange County Housing Authority
g.	Program Objectives:	(1) Maintain and increase, if possible, the availability of rental assistance to handicapped very-low-income persons. The specific objective for the 1989-94 period is 23 units based on current funding levels.

2. Block Grant Home Improvement Program

   a. Action: The Home Improvement Program of the Housing and Community Development Program provides low-interest loans and grants to owner-occupants and investor-owners to rehabilitate residential units and owner-occupied mobile homes in unincorporated county areas and in cities contracting with the County for administration of their rehabilitation programs. Cities currently contracting with the County are Cypress, Dana Point, Laguna Beach, La Palma, Los Alamitos, Mission Viejo, Placentia, San Clemente, Seal Beach, Stanton, Tustin, and Yorba Linda. Specific unincorporated areas that receive housing services are Anaheim Island, Ball/Brookhurst, Colonia Independencia, Southwest Anaheim, El Toro, El Modena, Midway City, Olive Island, Modjeska Canyon, Trabuco Canyon, Silverado Canyon, Santa Ana Heights, and West Garden Grove Island. Additionally, any eligible low/moderate-income family living in any unincorporated area may receive assistance from the "spot" rehabilitation program to correct code or incipient code violations.

   b. Discussion: Many tract homes in Orange County are over twenty years old; rehabilitation of homes is needed and will continue to be needed. Also, given the excessive cost of housing, families that would formerly have "moved upward" are having to remain in their homes. Energy conservation measures will continue to be a component of all home improvement projects. Rehabilitation of multi-family units is a relatively new program, and it will continue to grow in the next five years.

c. Source of Funds:	HUD/CDBG Lending Institutions
d. New or Existing Program:	Existing
e. Implementation Schedule:	Ongoing
f. Responsible Agency:	EMA/HCD
g. Program Objectives:	Prevent deterioration of neighborhoods and preserve existing affordable housing. Approximately 850 rehabilitated low- and very-low-income units are expected to be completed under this program during the 5-year time frame of the element.

3. Community Development Block Grant (CDBG) Program

a. Action: The Community Development Block Grant Program is expedited and augmented so that the funds are leveraged or used to the greatest possible benefit in meeting low- and very-low-income housing needs.

b. Discussion: The Community Development Block Grant Program is an important part of the County's efforts in meeting low- and very-low-income needs. This program is administered by the EMA/HCD Program Office. CDBG funds are utilized to provide low-income housing rehabilitation, community improvements, land writedowns, and other incentives for new low- and very-low-income housing through public/private cooperative agreements.

c. Source of Funds: Federal Government (HUD)

d. New or Existing Program: Existing

e. Implementation Schedule: Ongoing

f. Responsible Agency: EMA/HCD

g. Program Objectives:

(1) Construct and rehabilitate housing for low- and very-low-income households. Approximately 850 rehabilitated and 500 newly constructed low- and very-low-income units are anticipated to be accomplished under this program during the 5-year time frame of the element.

(2) Provide community improvements to prevent neighborhood deterioration.

4. Consistency Review Program

a. Action: Preparation and distribution of General Plan consistency manual and subsequent updates and revisions. The manual provides uniform basis for General Plan consistency determinations and facilitates streamlined processing of housing developments.

b. Discussion: State law requires that private and public projects be consistent with the General Plan. As the consistency process is simplified, development processing time (and holding costs) can be minimized.

c. Source of Funds: General Fund

d. New or Existing Program: Existing

e. Implementation Schedule: Ongoing

f. Responsible Agency: EMA/Planning

g. Program Objectives

(1) Ensure that discretionary approvals are consistent with the General Plan and zoning regulations.

(2) Minimize permit processing time.

5. Countywide Homeless Family Transitional Housing Initiative

   a. Action: Explore the feasibility of creating a regional pool of CDBG funds for the purpose of developing and assisting transitional housing programs for homeless families.

   b. Discussion: Homeless families in need of temporary shelter are a growing segment of the county's special housing needs. This program would explore the feasibility of a countywide approach to the problem by pooling financial resources and coordinating assistance efforts. The purpose of this program would be to provide low-cost shelter where families could stay a few months while accumulating enough savings to move into traditional rental housing.

      For example, if the county and each block grant entitlement city were to set aside 7.5 percent of its annual CDBG budget, a total of about $1.4 million would be available each year to support these programs. State law requires local agencies to address the needs of these homeless families. Since the problem does not follow jurisdictional boundaries, this countywide approach would enable each jurisdiction to provide meaningful assistance toward addressing this need.

   c. Source of Funds: CDBG

   d. New of Existing Program: New

   e. Implementation Schedule: 1989-90

   f. Responsible Agency: CAO
EMA-Housing/Community Development Office

   g. Program Objectives: (1) Establish a countywide fund for assisting the development of transitional housing facilities.

6. Development Processing System Review

   a. Action: Review and evaluate development processing procedures and standards on a regular basis in order to minimize delays or unnecessary requirements that can result in higher development costs.

   b. Discussion: Cutting processing time and eliminating unnecessary requirements will reduce the developer's holding costs for land, design, engineering and the like which in turn directly affect the final costs of the housing product.

      Efforts the County has already undertaken include creation of the Development Processing Center, a "one stop shop" for all development permits and information, and a simplified Consolidated Planning Application Form. The County also formed the Development Processing Review Committee, made up of local building industry representatives and County management, for the purpose of reviewing new procedures and regulations prior to their adoption, and recommending modification or deletion of unnecessary standards.

c.	Source of Funds:	General Fund Development Fees
d.	New or Existing Program:	Existing
e.	Implementation Schedule:	Ongoing
f.	Responsible Agency:	EMA/Planning (lead) EMA/Regulation
g.	Program Objectives:	(1) Minimize processing time for development permits. (2) Modify or eliminate unnecessary requirements and standards that increase housing costs.

7. Federal Housing Programs

a. Action: The County of Orange takes every step necessary to encourage and connect the developer with the most feasible of the currently available housing programs of the federal government which meet the needs of Orange County existing and future residents. The County assists developers in pre-design of projects to assure compliance with federal minimum property standards.

b. Discussion: HUD/FHA currently has a number of programs which can be used if the cost of housing can be brought into the affordable range. Sections 203(b), 235, 245, 223(f) and the standard 202 and 207 are all available. Except for the 203(b) and 235 programs, all processing is accomplished in the Los Angeles area office.

Other large federal programs such as CDBG and Section 8 are described separately in this Chapter.

c.	Source of Funds:	Private Mortgage Lenders Federal Housing Programs
d.	New or Existing Program:	Existing
e.	Implementation Schedule:	Ongoing
f.	Responsible Agency:	EMA/HCD
g.	Program Objectives:	Provide financing for purchase, construction, or rehabilitation of low-income housing.

8. Homeless Issues Coordination

a. Action: The CAO, with the assistance of the Interagency Coordinating Committee, has been directed to identify a series of issues related to the coordination of County resources for the homeless and to submit conclusions to the Board of Supervisors in June of 1989.

b. Discussion: Homelessness has become a major concern on a national level. Orange County is not immune to the problem of homelessness. Commitment to help address this issue of concern has continued to increase throughout the county. The Orange County Homeless Issues Task Force, once a group of service providers and involved support organizations, has evolved into a cohesive entity with a Task Force coordinator, membership structure, and five-year General Plan. In January, representatives of the Building Industry Association (BIA) began meeting with representatives of Board offices and County staff to follow through on their commitment of philanthropic involvement. The 1988-89 Orange County Grand Jury identified homeless families as a problem which warranted study and recently released a report with recommendations on the subject.

With the evidence of community and private sector commitment and governmental participation, it is time for the County government to assess present and potential resources and to direct its energies toward better coordination. The County cannot and should not assume the full responsibility of serving the homeless. However, it must be part of an integrated partnership with nonprofit providers, governmental entities, private sector and others to serve the homeless people. Orange County government has a record of creative partnerships which lead to noteworthy accomplishments.

c. Source of Funds: General Fund

d. New or Existing Program: New

e. Implementation Schedule: 1989-90

f. Responsible Agency: CAO

g. Program Objectives: (1) Restructure the Interagency Coordinating Committee, established on 5/22/84, to include, but not be limited to, directors from HCA, SSA, CSA, EMA, and representation from all Board offices.

(2) To ensure effective coordination the CAO will serve as Chairman and designate a staff member to serve as the County representative on homeless issues.

(3) Effectively coordinate the County's limited resources to better serve the homeless.

9. Housing Development Finance Program

a. Action: Initiated in the spring of 1988, this new Orange County Housing Authority (OCHA) activity is designed to stimulate the development and preservation of low-income rental housing throughout Orange County.

b. Discussion: The program is based on the Housing Action Strategy, a long range framework of OCHA objectives, guidelines, financing approaches and program initiatives approved by the Board of Commissioners in February, 1988. The Housing Development Finance Program offers financial and technical assistance aimed at producing and/or preserving affordable rental housing opportunities, as follows:

*financial assistance in the form of secondary loans or loan guarantees to developers of privately-owned rental housing in which a portion of the development is reserved for very-low-income tenants, and

*technical assistance to OCHA member jurisdictions and developers regarding available techniques and resources (such as tax credits, tax exempt bonds and redevelopment funds) which support affordable housing development.

c.	Source of Funds:	OCHA's surplus operating reserve funds (accumulated as a result of efficient management of all OCHA programs).
d.	New or Existing Program:	New
e.	Implementation Schedule:	1988 start-up
f.	Responsible Agency:	OCHA
g.	Program Objectives:	(1) Provide loans to secure new or existing rental units affordable to very-low-income households (2) Provide ongoing technical assistance to OCHA's 25 member jurisdictions and local developers seeking financial resources for affordable housing.

10. Housing Discrimination/Affirmative Action

a. Action: The County continues to fund a strong and active Fair Housing Council, Human Relations Commission and other organizations concerned with the problems of low- and moderate-income households in the county.

b. Discussion: These organizations serve as a necessary counter-balance insofar as county housing problems are concerned.

c.	Source of Funds:	Community Development Block Grant Other Subventions
d.	New or Existing Program:	Existing
e.	Implementation Schedule:	Ongoing
f.	Responsible Agency:	EMA/HCD (lead) Orange County Fair Housing Council Orange County Human Relations Commission
g.	Program Objectives:	Prevent discrimination and promote equal housing opportunities

11. Housing Element Periodic Review and Update

a. Action: Periodically review and update the Housing Element of the General Plan as required by state law.

b. Discussion: State law requires each local jurisdiction to evaluate its Housing Element every five years to determine 1) the effectiveness of the element in achieving stated goals and objectives; 2) the progress in implementing the element's policies and programs; and 3) the appropriateness of the element's goals, objectives, policies, and programs. As part of this effort, the County reexamines its housing needs; resources available for housing production, including the adequacy of the land inventory; and constraints on the conservation and development of housing.

c. Source of Funds: General Fund

d. New or Existing Program: Existing

e. Implementation Schedule: 1989 and every five years thereafter

f. Responsible Agencies: EMA/Planning (lead)
CAO/Bond/Capital Finance Program
CAO/Forecast and Analysis Center
CAO/Management and Budget
EMA/HCD Program Office
OCHA
SSA

g. Program Objectives: (1) Maintain the Housing Element of the General Plan in compliance with state law.

12. Housing Opportunities Program

a. Action: A key component of the County's overall housing strategy is to encourage the production of market-rate housing that is affordable to households with incomes of 120 percent or less of the county median. It is recognized that significant financial subsidies are generally required in order for new very-low-income housing to be economically feasible. The primary objective of the Housing Opportunities Program is the production of 25 percent of all new housing units within the affordable category.

b. Discussion: A full description of the Housing Opportunities Program is included in Appendix D.

c. Source of Funds:

(1) For Housing Development:	Private Mortgage Lenders HUD/FHA Revenue Bonds California Housing Finance Agency (CHFA)
(2) For Program Expertise and Capability:	General Fund Community Development Block Grant
d. New or Existing Program:	Existing
e. Implementation Schedule:	Ongoing
f. Responsible Agency:	EMA/Planning (lead) CAO/Bond/Capital Finance Program
g. Program Objectives:	(1) To ensure that at least 25% of new housing units in the unincorporated area are affordable to households with incomes of 120 percent or less of the county median, further prescribed as follows: - 10% Low (80% or less of median income) - 10% Moderate I (81-100% of median income) - 5% Moderate II (101-120% of median income)

(2) Implement appropriate measures to ensure that permit processing time for affordable housing developments is minimized.

(3) Periodically review codes and standards to ensure that these requirements do not pose an unreasonable obstacle to affordable housing production.

(4) Periodically review General Plan and zoning designations to ensure that sufficient land is designated to meet affordable housing production objectives.

(5) Provide sufficient incentives to ensure that affordable housing production is financially feasible.

13. Housing Referral Directory

a. Action: Maintain a resource directory of housing programs and services to assist the consumer in securing housing services.

b. Discussion: The referral directory provides concise information regarding current services available in the county and cities. Primarily targeted for renters and homeowners of low to median income, it has special emphasis on meeting the needs of the homeless. The directory serves as a tool for persons working with the public, enabling them to answer questions and direct inquiries to the proper sources of service.

c. Source of Funds: Orange County Housing Authority

d. New or Existing Program: Existing

e. Implementation Schedule: Ongoing

f. Responsible Agency: OCHA

g. Program Objectives: (1) Maintain a resource directory of housing programs and services.

14. Infrastructure Provision and Financing

a. Action: Coordination of infrastructure planning, financing, and construction in order to minimize the potential financial burden on homeowners and renters. Two activities will effectuate this objective:

(1) Analyze existing and potential infrastructure financing measures for their ability to meet infrastructure needs without an adverse impact on housing costs, and modify the existing infrastructure planning and financing process as necessary.

(2) Evaluate measures which reduce infrastructure demands and, consequently, the need for public facilities to serve residential development.

b. Discussion: The County's ability to fund or finance the infrastructure necessary for residential development through the general property tax levy has diminished in recent years. In order to satisfy existing and future infrastructure needs, the County should consider measures which address these needs without causing a significant increase in housing costs.

c. Source of Funds:	General fund HCD Block Grant
d. New or Existing Program:	Existing. Expand effort and commit new resources to program.
e. Implementation Schedule:	Ongoing
f. Responsible Agencies:	CAO/Bond/Capital Finance Program (lead) EMA/Planning
g. Program Objectives:	(1) Minimize infrastructure costs for residential development. (2) Coordinate and streamline infrastructure financing programs.

15. Intergovernmental Advocacy with HUD/FHA

a. Action: Persuasive and strong effort is undertaken by the County of Orange, its staff, congressional representatives, and lobbyist to persuade HUD/FHA to:

(1) Make multi-year commitments of units for large planned communities which have or will make a substantial commitment to affordable housing.

(2) Liberalize applicability of minimum property standards for local flexibility to avoid features which may increase the costs of producing the units rather than achieve a more affordable unit.

(3) Streamline processing of existing and available programs so that developers are less frustrated and more inclined to use the subsidy programs.

(4) Return processing of a wider range of programs to the Santa Ana FHA insuring office.

(5) Assist in funding preparation of a community-wide economic and environmental study to avoid lengthy project reviews.

b. Discussion: A great number of units were federally financed and mortgage loan guarantees made in Orange County since 1950. This intergovernmental advocacy will assist cooperating developers with using a variety of tools to build and produce affordable housing. The local program coordination will assist in dispersing the units in a logical way to meet the most serious needs.

c. Source of Funds:	Developer Fees General Fund CDBG
d. New or Existing Program:	Existing
e. Implementation Schedule:	Ongoing
f. Responsible Agency:	Board of Supervisors with EMA - H/CD support.
g. Program Objectives:	Maximize the availability of HUD/FHA programs and funding in Orange County.

16. Land Acquisition for Housing

a. Action: Inventory and make available surplus, publicly-owned lands (including state and federal owned land) for low and moderate income housing projects. Provide or otherwise make available sites or land acquired previously for development of affordable housing through the use of all available funds as appropriate and feasible. Aggressively pursue a land banking program to provide sites for development or for which trades could be consummated to provide better located low- and moderate- or very-low-income housing sites.

b. Discussion: The strategic acquisition of land for housing for low- and moderate- and very-low-income households should be given a high priority to augment the Housing Opportunities Program. The priority sites are those already in public ownership which are surplus or can be reused. For instance, undeveloped land in tax default or which is surplus, might be made available. The local HCD Program also addresses the need for providing sites.

Orange County General Services Agency currently reviews surplus sites with interested County offices to determine whether any are appropriate for development of low-income housing.

c.	Source of Funds	CDBG Orange County Development Agency
d.	New or Existing Program:	Existing
e.	Implementation Schedule:	Ongoing
f.	Responsible Agency:	EMA/HCD (lead) GSA
g.	Program Objectives:	(1) Make surplus government-owned property available for low-income housing development where feasible. (2) Acquire and hold property to be used for low-income housing development.

17. Neighborhood Development and Preservation Program

a. Action: The Orange County Neighborhood Development and Preservation Project was adopted by the Board of Supervisors/ Development Agency Board on June 22, 1988. This project will bring to bear the tools of California Redevelopment Law to address the community needs of thirteen areas within unincorporated Orange County.

b. Discussion: These areas contain the largest concentrations of very-low-, low-, and moderate-income populations. The funds from this project have been targeted for community preservation and improvement. This will include activities directed toward facilitating enhancement, rehabilitation, and repair of the existing housing stock, most of which is low-income, and the production of additional very-low-, low-, and moderate-income housing throughout Orange County. This effort will greatly increase the traditional HCD Block Grant efforts in these areas and allow for new and expanded projects to make housing opportunities available to the target population and other low- and moderate-income households in Orange County.

c. Source of Funds:	Property tax subventions Development Agency bonds Other debt
d. New or Existing Program:	New
e. Responsible Agencies:	EMA/HCD Program Office CAO/Bond/Capital Finance Program
f. Implementation Schedule:	Ongoing
g. Program Objectives:	Provide funding assistance for very-low-, low- and moderate-income housing rehabilitation and construction, and neighborhood preservation efforts. Approximately 200 rehabilitated units and 50 new very-low-income units are expected to be accomplished under this program.

18. Residential Energy and Water Conservation Retrofit

a. Action: Establish an energy and water conservation program for existing residential units in Orange County. This objective will be effectuated through the following actions:

(1) Monitoring of existing and proposed utility and water district programs.

(2) Coordination of existing housing and community development activities with energy and water conservation programs for existing residential units.

(3) Development of a comprehensive utility cost reduction program utilizing utility, waster district, and County staff and resources, if existing utility programs are not effective.

b. Discussion: Rising utility bills have caused an increase in the monthly costs of owning or renting a home in Orange County. As a result, a utility cost reduction program is an essential component to efforts to reduce or maintain monthly housing costs for Orange County residents.

c.	Source of Funds:	General Fund HCD Block Grant Potential utility, water district, and State funding or assistance
d.	New or Existing Program:	Existing. Integrate efforts and commit existing resources to program.
e.	Implementation Schedule:	Action 1 and Action 2: 1983. Action 3: Uncertain depends on effectiveness of existing utility programs.
f.	Responsible Agencies:	EMA and CAO
g.	Program Objectives:	Minimize utility costs for existing residential units.

19. Section 8 Existing Rental Assistance Program

a. Action: Provide rental assistance to very-low-income households.

b. Discussion: This is the primary program serving families earning less than 50% of the county median income.

The Orange County Housing Authority (OCHA) offers affordable rental housing to qualified county residents through both the Section 8 Certificate and Section 8 Voucher programs. Both programs rely on the private sector to supply rental units for very-low-income families, the handicapped, and elderly. The source of funding is the federal Department of Housing and Urban Development (HUD), which is used to supplement rent payments of program participants. Payments are processed by the Housing Authority and forwarded directly to landlords for the subsidized portion of the rent. HUD funding is based on population needs and administrative effectiveness of the local housing agency. OCHA administers Section 8 programs on behalf of the county unincorporated area and the 24 cities that do not have independent housing authorities. (Anaheim, Brea, Garden Grove, and Santa Ana maintain separate programs.)

In order to participate in the Certificate or Voucher programs, tenants may earn no more than 50 percent of the HUD-determined median income, adjusted for family size (for Fiscal 1989, $46,900 for a family of four). Families who are determined to be eligible for rental assistance are issued either a Certificate or a Voucher, depending on their choice and funding availability. As of January 1, 1989, 5,200 tenants countywide were being assisted by OCHA under the Section 8 Certificate Program. By comparison, 440 tenants were being assisted under the Section 8 Voucher Program. Vouchers were offered to applicants from OCHA's waiting list for the first time in April 1987.

<u>Section 8 Certificate Program</u>

Landlords who are willing to offer units within HUD-established fair market rent limits and meet certain minimum property standards are eligible to participate in this program. Landlords list their vacant units with the Housing Authority and select tenants who have received a certificate. Tenants pay 30 percent of their income toward rent with the difference paid by OCHA. Under this program, tenants are free to move to any qualified unit within OCHA's jurisdiction. As of January 1, 1989, about 340 Certificate families resided in the county unincorporated area.

Section 8 Voucher Program

The Voucher Program differs from the Certificate Program in three significant ways: 1) there are no rent limits established by HUD for the program; 2) families may pay either more or less than 30 percent of their net monthly income for rent, but never less than 10 percent of their gross income; 3) families may move to any jurisdiction that participates in the Voucher Program.

c. Source of Funds: Federal Government (HUD)

d. New or Existing Program: Existing

e. Implementation Schedule: Ongoing

f. Responsible Agency: Orange County Housing Authority

g. Program Objectives: (1) Maintain and increase, if possible, the availability of rental subsidies to very-low-income families. Specific objectives for the 1989-94 period are:

(a) Section 8 Certificates: 340

(b) Section 8 Vouchers: 24

20. State of California Housing Program

a. Action: The County of Orange uses all available California Department of Housing and Community Development and California Housing Finance Agency programs in the systematic approach to solving the County's housing problem.

b. Discussion: The state housing programs and activities are more limited in scope and funding than federal housing programs. One organization closely involved in housing is the California Department of Housing and Community Development (CHCD). It currently sponsors or operates the Urban Predevelopment Loan Fund, Home Management Training and Counseling, and the Aftercare Rental Assistance program directed at disabled persons. The other state agency directly involved with housing is the California Housing Finance Agency (CHFA) which currently offers direct loans and purchase of single-family mortgages.

Specific state programs the County will apply for will be determined upon availability of the programs and the specific need of each project.

c. Source of Funds: California Housing & Community Development Department
California Housing Finance Agency

The County is also pursuing State grant funds under the Proposition 77 and 84 bond program.

d. New or Existing Program: Existing

e. Implementation Schedule: Ongoing

f. Responsible Agency: EMA/HCD
OCHA

g. Program Objectives:

(1) Provide financial assistance for low- and moderate-income housing.

(2) Pursue funding for homeless assistance.

21. Stewart McKinney Homeless Assistance Act

a. Action: This act made a limited amount of federal funds available to help improve the quality of emergency shelters for the homeless, make available additional emergency shelters, and meet the costs of operating emergency shelters and providing essential social services to homeless individuals. This act helps individuals to have access not only to safe and sanitary shelter, but also to the supportive services and other types of assistance they need to improve their situations.

b. Discussion: These funds first became available in 1987. The County of Orange has received 100% of its allocation fixed by HUD and has distributed these monies to provide non-profit agencies and to the Armory Shelter effort sponsored by the County. These funds are administered by EMA/HCD and the United Way.

c. Source of Funds:	HUD under McKinney Act
d. New or Existing:	New
e. Responsible Agency	EMA/HCD United Way
f. Implementation Schedule:	On-going
g. Program Objectives:	Provide development and operation funding assistance for emergency shelters for the homeless.

22. Tax-Exempt Housing Revenue Bonds

a. Action: The county continues to use its authority to issue tax exempt revenue bonds to finance both single-and multiple-family developments which provide defined affordable units.

b. Discussion: This is an existing program. Over $1.6 billion in bond proceeds have been issued to finance more than 11,000 affordable units. Subject to federal and state legislation, and bond market conditions, the program can continue to support the Housing Element's new construction policies to increase the supply and affordability of modestly priced for-sale housing and apartments.

c. Source of Funds: Tax-exempt single-family mortgage revenue bond issues

Tax-exempt apartment development revenue bond issues

d. New or Existing Program: Existing

e. Implementation Schedule: Ongoing, conditioned upon federal and state authority and the status of the bond market.

f. Responsible Agencies: CAO/Bond Capital Finance Program

g. Program Objectives:

(1) Provide tax-exempt bond financed mortgages for low- and moderate-income first-time home buyers.

(2) Provide tax-exempt bond financed loans to developers of mixed-income, rental housing, which includes at least 20 percent very-low-income units.

APPENDICES

APPENDIX A
LIST OF ABBREVIATIONS

AC	Acre
AFIS	Areawide Fiscal Impact System
AHIS	Affordable Housing Information Supplement
AHIUP	Affordable Housing Incentive Use Permit
AMR	Annual Monitoring Report
AQMD	Air Quality Management District
AP	Area Plan
ARB	Air Resources Board (State)
B/S	Board of Supervisors
BIA	Building Industry Association
CAA	Community Analysis Area
CAO	County Administrative Office
CDBG	Community Development Block Grant
CT	Census Tract
CEQA	California Environmental Quality Act
CDBG	Community Development Block Grant
CHFA	California Housing Finance Agency
DMP	Development Monitoring Program
DPC	Development Processing Center
DU	Dwelling Unit
EAD	Environmental Analysis Division
EIR	Environmental Impact Report (State)
EIS	Environmental Impact Statement (Federal)
EMA	Environmental Management Agency

FAC	Forecast and Analysis Center
FHA	Federal Housing Administration
FHLBB	Federal Home Loan Bank Board
FHLMC	Federal Home Loan Mortgage Corporation ("Freddie Mac")
FNMA	Federal National Mortgage Association (Fannie Mae")
GNMA	Government National Mortgage Association ("Ginnie Mae")
GPA	General Plan Amendment
GMP	Growth Management Program
GMPE	Growth Management Plan Element
HAP	Housing Assistance Plan (County)
H/TAG	Housing Technical Advisory Group
H/CD	Housing/Community Development
HE	Housing Element
HIP	Housing Implementation Plan/Home Improvement Program
HOHI	Home Ownership and Home Improvement
HOP	Housing Opportunities Program
HRC	Human Relations Commission
HUD	Housing and Urban Development (U.S. Department of)
IHDO	Information and Housing Development Office
IHP	Inclusionary Housing Program
LCP	Local Coastal Program
LUE	Land Use Element
MEA	Master Environmental Assessment
MMTS	Multi-Modal Transportation Study
MPAH	Master Plan of Arterial Highways
MSA	Metropolitan Statistical Area

ND	Negative Declaration
NDAPP	Neighborhood Development and Preservation Project
NEPA	National Environmental Policy Act
NHD	New Housing Development Program
OCDA	Orange County Development Agency
OCFHC	Orange County Fair Housing Council
OCHA	Orange County Housing Authority
OCHC	Orange County Housing (Finance) Corporation
ORCHID	Orange County Housing Information Directory
OCP-88	Orange County Projections-1988
PA	Planning Area
P.C.	Planning Commission
PC	Planned Community
PCMS	Planned Community Monitoring System
RFD	Request for Proposals
RHNA	Regional Housing Needs Assessment
RPAA	Residential Processing Assistance Agreement
RSA	Regional Statistical Area
SCAG	Southern California Association of Government
Sec. 8	Section 8 (of the U.S. Housing Act)
SMSA	Standard Metropolitan Statistical Area
TPM	Tentative Parcel Map
TT	Tentative Tract
UDAG	Urban Development Action Grant
UP	Use Permit
VA	Variance
ZC	Zone Change

APPENDIX B

LAND INVENTORY AND SITE AVAILABILITY

A. Introduction

The purpose of this Appendix is to provide a land inventory and identify suitable sites for housing development as required by Government Code Section 65583. This discussion also highlights key aspects of the County's affordable housing program; and provides an overview of significant "sites" (which at the geographical scale of the county includes: planned communities, redevelopment areas and Community Development Block Grant areas).

B. Residential Land Inventory

1. Overview

Most of the buildable land currently zoned for development in the unincorporated area is found within planned communities, which are usually large parcels planned and developed by a single landowner with a unified set of zoning regulations covering the entire project. For most of these large projects, the County requires the developer to submit "annual monitoring reports" (AMRs) to discuss the existing and anticipated level of development along with an analysis of public services and infrastructure availability. Because of this unified planning, zoning, and monitoring system, it is relatively easy to maintain a land inventory for these areas as required by state Housing Element law.

In addition to these large planned communities, which are mostly located in the southeastern portion of the county, there are several unincorporated "islands" in the older areas in the northwestern portion of the county. These islands are conventionally zoned (R-2, C-1, etc.) and are made up of thousands of separate parcels. It is much more time-consuming to compile a detailed inventory of land in these areas.

2. Planned Community Inventory

Table B-1 on the following page contains an inventory of existing and potential residential development within the planned communities in the Orange County unincorporated area. This table indicates that there are a total of about 11,800 acres of undeveloped land zoned for residential use within these planned communities, which can accommodate about 34,000 single-family units and 50,000 multiple-family units. The allowable density range for single-family development is generally less than 6 units per acre, although some projects may be as high as 8 to 9 units per acre. The density for multiple-family project is generally from 10 to 30 units per acre, although higher density may be permitted in designated areas such as urban activity centers (see discussion under "Land use Controls" in Chapter 3).

TABLE B-1

RESIDENTIAL LAND INVENTORY
ORANGE COUNTY UNINCORPORATED AREA
1989

	Existing Development				Maximum Development				Potential New Development			
Planned Communities	SF Units	SF Acres	MF Units	MF Acres	SF Units	SF Acres	MF Units	MF Acres	SF Units	SF Acres	MF Units	MF Acres
Alicia Creek[1]	88	22.3	1,011	1,346	88	22.3	1,063	1,349	0	0	52	2.9
Aliso Viejo[2]	774	225.4	2,107	182.4	7,995	1,230	19,062	1,059	7,221	1,004.6	16,955	876.6
Bear Brand[3]	165	70.7	543	40	679	290.8	1,028	755	514	220.1	485	35.5
Bear Brand (Parcel 5)[4]	40	64	79	24	50	80	79	24	10	16	0	0
Bear Brand Hill[5]	239	51	0	0	518	119	0	0	279	68	0	0
Borchers[6]	0	0	0	0	113	46.7	0	0	113	46.7	0	0
Colinas de Capistrano[7]	961	379.8	1,397	94.9	1,058	418.1	1,397	94.9	97	38.3	0	0
Country Home Properties[8]	0	0	0	0	142	92.9	0	0	142	92.9	0	0
Country Village[9]	1,203	273±	989	129.8	1,984	375.6±	3,115	185.9	781	102.6	2,126	56.1
Coto de Caza[10]	1,222	742.5	462	69.3	3,239	1,968	3,180	477	2,017	1,225.5	2,718	407
Dove Canyon[11]	0	0	0	0	683	200	738	109	683	200	738	109
Foothill Ranch[12]	0	0	0	0	1,231	238	2,669	292	1,231	238	2,669	292
Holtz[13]	0	0	0	0	67	67.0	0	0	67	67.0	0	0
Irvine Coast[14]	0	0	0	0	800	1,672	1,800	240	800	1,672	1,800	240
Laguna Laurel[15]	0	0	0	0	956	227	697	217	956	227	697	217
Laguna Heights[16]	0	0	0	0	108	35.47	0	0	108	35.47	0	0
Laguna Niguel[17] Includes:												
Area A	969	160.5	0	0	1,460	241.8	1,590	81.4	491	81.3	1,590	81.4
Areas D-1, D-2, D-3, G, 0-3, O-4	1,431	363.8	24	3.4	9,365	625.95	1,846	187.6	7,934	262.15	1,822	184.2
Area D-4 (Marina Hills)	200	74.1	128	46.0	815	234.5	1,500	142.3	615	160.4	1,372	96.3
Area E-2 & E-3	76	12.9	353	76.8	235	39.0	1,070	232.6	159	26.1	717	155.8
Area I/1-10, 11 & 16 (Stein-Brief)	161	2.0	86	30.2	328	32.3	250	59.3	167	30.3	164	29.1
Area I/11 and 14 (B.H. Mortgage)	0	0	45	3.6	0	0	1,542	124.8	0	0	1,497	121.2
Area M	166	44.9	98	26.5	376	101.6	318	41.82	210	56.7	2120	15.32
Lyon Ranch[18]	0	0	0	0	78	60±	0	0	78	60±	0	0
Mort Hermann[19]	0	0	0	0	173	43.3	57	7.0	173	43.3	57	7.0
Moulton Ranch[20]	150	43	100	15	525	150.6	100	15.0	375	107.6	0	0

RESIDENTIAL LAND INVENTORY
ORANGE COUNTY UNINCORPORATED AREA
1989

Planned Communities	Existing Development SF Units	Existing Development SF Acres	Existing Development MF Units	Existing Development MF Acres	Maximum Development SF Units	Maximum Development SF Acres	Maximum Development MF Units	Maximum Development MF Acres	Potential New Development SF Units	Potential New Development SF Acres	Potential New Development MF Units	Potential New Development MF Acres
Portola Hills[21]	275	33	407	40	1,215	114	985	96	940	81	578	56
Rancho Cielo[22]	0	0	0	0	240	56.0	0	0	240	56.0	0	0
Rancho de Los Alisos[23]	1,186	155	2,644	328	1,264	180	3,560	334	78	25	916	6
Rancho Santa Margarita[24]	557	62.8	804	76.6	2,943	228.9	8,138	378.8	2,386	166.1	7,334	302.2
Ranch Trabuco[25]	0	0	0	0	1,618	465.7	2,126	218.6	1,618	465.7	2,126	218.6
Robinson Ranch[26]	689	200±	184	27±	1,216	318±	184	27±	527	118±	0	0
Saddleback Meadows[27]	0	0	0	0	714	148.8	0	0	714	148.8	0	0
Santiago Estates[28]	0	0	0	0	25	45.0	0	0	25	46.0	0	0
Santiago Ranch[29]	0	0	0	0	162	102	0	0	162	102	0	0
Serrano Highlands[30]	129	46.8	365	97.1	129	46.8	866	142.8	0	0	501	45.7
Telega Valley[31]	0	0	0	0	2,197	355.1	3,068	432.2	2,197	355.1	3,068	432.2
Watson[32]	0	0	0	0	80	49.6	0	0	80	49.6	0	0
Zadeh[33]	0	0	0	0	20	22.0	0	0	20	22.0	0	0
4S Ranch (Edgar)[34]	0	0	0	0	178	91.3	0	0	178	91.3	0	0
Total	10,681	3,027.5±	11,826	2,656.6±	45,067	10,835.1	62,028	7,324±	34,386	7,808.6±	50,202	3,987.1

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ENDNOTES FOR TABLE B-1

1. Alicia Creek - Annual Monitoring Report (AMR) for Alicia Creek Planned Community, County of Orange 1987. January 1988 aerial photographs show that all of the planned community is built-out except for planning area "D".

2. Aliso Viejo - Telephone conversation with Alison Martin of the Mission Viejo Company, March 21, 1989.

3. Bear Brand - Annual Monitoring Report (AMR) for Bear Brand Planned Community, County of Orange, 1987. "1987 AMR Socioeconomic Data Summary", March 22, 1988. Existing acreage was determined by taking the proportion of units to build-out.

4. Bear Brand (Parcel 5) - Annual Monitoring Report (AMR) for Bear Brand (Parcel 5) Planned Community, County of Orange, 1987.

5. Bear Brand - Annual Monitoring Report (AMR) for Bear Brand Planned Community, County of Orange, 1987. "1987 AMR Socioeconomic Data Summary", March 22, 1988. Existing acreage was determined by taking the proportion of units to build-out.

6. Borchers - Orange County Planning Commission Staff Report for ZC 87-19 and Community Profile Amendment CPA 87-11.

7. Colinas de Capistrano - Annual Monitoring Report (AMR) for Bear Brand Planned Community, County of Orange, 1987. "1987 AMR Socioeconomic Data Summary", March 22, 1988. Existing acreage was determined by taking the proportion of units to build-out.

8. Country Home Properties - Land Use Amendment 83-2, November 16, 1983.

9. Country Village - Annual Monitoring Report (AMR) for Country Village Planned Community, County of Orange, 1987. Multi-family categories include rental units.

10. Coto de Caza - Annual Monitoring Report (AMR) for Coto de Caza Planned Community, County of Orange, 1987. "1987 AMR Socioeconomic Data Summary", March 22, 1988. Existing acreage was determined by taking the proportion of units to build-out.

11. Dove Canyon - Annual Monitoring Report (AMR) for Dove Canyon Planned Community, County of Orange 1987.

12. Foothill Ranch - Foothill Ranch Planned Community, Area Plan, Planning Areas 1, 2, 17, 18, 19, 20, 21, Development Plan, Statistical Summary, County of Orange, April 1988.

13. Holtz Ranch - Zone Change 87-14, March 21, 1989.

14. Irvine Coast - Annual Monitoring Report (AMR) for Irvine Coast Planned Community, County of Orange, 1987.

15. Laguna Laurel - Annual Monitoring Report (AMR) for Laguna Laurel Planned Community, County of Orange, 1987. Laguna Laurel Feature Plan, September 26, 1986.

16. Laguna Heights - Annual Monitoring Report (AMR) for Laguna Heights Planned Community, County of Orange, 1987.

17. Laguna Niguel - There are seven planning areas in the Laguna Niguel Planned Community which are currently required to submit AMRs. For the purposes of Table B-1 it is assumed that it is within these planning areas that future residential development will occur.

    Area A - Annual Monitoring Report (AMR) for Laguna Niguel Planned Community, Area A County of Orange, 1987.

    Areas D-1, D-2, D-3, Annual Monitoring Report (AMR) for Laguna Niguel Planned Community, Areas D-1, D-2, D-3, County of Orange, 1987.

    Area G - Annual Monitoring Report (AMR) for Laguna Niguel Planned Community, Area G County of Orange, 1987.

    Area O-3, O-4 - Annual Monitoring Report (AMR) for Laguna Niguel Planned Community, Areas O-2, O-3, County of Orange, 1987.

    Area D (Marina Hills) - Annual Monitoring Report (AMR) for Laguna Niguel Planned Community, Area D-4, (Marina Hills), County of Orange, 1987. Multi-family categories include rental units.

    Areas E-2, E-3 - Annual Monitoring Report (AMR) for Laguna Niguel Planned Community, Areas E-2, E-3, County of Orange, 1987. Existing acreage was determined by taking the proportion of units to acre at built-out. January 1988 aerial photographs show that area E-2 is approximately 33% built.

    Areas I/1-10, 11, 16 (Stein-Brief) - Annual Monitoring Report (AMR) for Laguna Niguel Planned Community, Areas I/1-10, 11, 16, County of Orange, 1987.

    Areas I/11, 14 (B. H. Mortgage) - Annual Monitoring Report (AMR) for Laguna Niguel Planned Community, Areas I/11, 14, County of Orange, 1987.

Area M - Laguna Niguel Planned Community, Area M Area Plan, County of Orange, Approved July 16, 1987. Acreage for existing categories was calculated as a proportion of build-out.

18. Lyon Ranch - Annual Monitoring Report (AMR) for Lyon Ranch Planned Community, County of Orange, 1987.

19. Mort Herrmann - Land Use Element Amendment 1984-3, December 12, 1984.

20. Moulton Ranch - Annual Monitoring Report (AMR) for Moulton Ranch Planned Community, County of Orange, 1987.

21. Portola Hills - Annual Monitoring Report (AMR) for Portola Hills Planned Community, County of Orange, 1987.

22. Rancho Cielo - Annual Monitoring Report (AMR) for Rancho Cielo Planned Community, County of Orange, 1987.

23. Rancho de Los Alisos - Annual Monitoring Report (AMR) for Rancho de Los Alisos Planned Community, County of Orange, 1987.

24. Rancho Santa Margarita - Correspondence to Peter Hersh, EMA/Advance Planning, from Kari Kilstrom, Santa Margarita Company, "Subject: Annual Review of Development Agreement (DA 87-1)", March 30, 1989.

25. Ranch Trabuco - Annual Monitoring Report (AMR) for Rancho Trabuco Planned Community, County of Orange, 1987.

26. Robinson Ranch - Annual Monitoring Report (AMR) for Robinson Ranch Planned Community, County of Orange, 1987.

27. Saddleback Meadows - Saddleback Meadows Planned Community Development Plan, June 25, 1984.

28. Santiago Estates - Land Use Element Amendment 1978-2, December 1978, and Zone Change 81-5, June 1981.

29. Santiage Ranch - Land Use Amendment 82-1, June 6, 1982.

30. Serrano Highlands - Annual Monitoring Report (AMR) for Serrano Highlands Planned Community, County of Orange, 1987.

31. Telaga Valley - Annual Monitoring Report (AMR) for Telaga Valley Planned Community, County of Orange, 1987.

32. Watson - Land Use Amendment 83-2, November 16, 1983.

33. Zadeh - Zoning Map, Tentative Tract 12365.

34. 4S Ranch (Edgar) - Land Use Amendment 83-2, November 16, 1983.

3. Infill and Redevelopment Inventory

In addition to the inventory of land in planned communities, a smaller inventory exists within the unincorporated islands. An evaluation of these sites is summarized by community analysis area in Table B-2. This analysis indicates that 8,446 new units are anticipated within these areas during the 1989-94 period. Although no detailed breakdown is available, it is expected that the majority of these will be multiple-family units. For further information regarding potential redevelopment sites, please refer to Section C, below.

4. Infrastructure Capacity and Financing

a. Capacity

The Land Use Element's Growth Management Program implements the Phased Development and Land Use/Transportation Integration policies of the LUE by requiring proponents of major land use projects to submit annual reports that project future development activity, identify public service deficiencies, and provide mitigation measures.

The primary purpose of this program is to enable the County to anticipate potential shortfalls in infrastructure capacity so that steps can be taken to correct imbalances before they hinder development.

b. Financing

The growing cost of public facilities combined with reductions in state and federal funding for public facility development have made the provision of infrastructure a difficult task for local government. The tax revolt of the late 1970s and the resultant tax and expenditure limitations (Propositions 4 and 13) have further constrained the ability of local governments to provide the regional and sub-regional public facilities necessary to serve existing and future developments.

As a result of these factors, local governments have canceled or deferred many essential public facility projects and shifted the responsibility for the provision of major public facilities to developers. While developers historically have provided local improvements (e.g., local streets, sidewalks), their responsibility for the provision of major regional public facilities has increased significantly.

The additional burden of infrastructure financing increases the risks and costs for residential developers in Orange County. Some of the increased costs of infrastructure financing will be borne by new homebuyers both directly (e.g., homeowners association fees, assessments) and indirectly as costs reflected in house prices.

TABLE B-2

RESIDENTIAL LAND INVENTORY
ORANGE COUNTY UNINCORPORATED ISLANDS*
BYT COMMUNITY ANALYSIS AREA (CAA)

1988-1994

CAA	Potential New Dwelling Units
1	64
2	313
3	799
4	208
5	4
7	4
9	1,481
10	0
11	0
13	15
14	0
16	0
17	0
18	499
19	16
20	16
22	3
24	59
25	1
26	8
28	429
29	963
32	63
34	1,336
37	39
42	383
43	391
44	10
45	77
46	365
47	970
TOTAL	8,446

* Excludes Planned Communities and major developments.

Source: OCP-88 Population & Housing Projections, CAO.
EMA/Advance Planning.

In order to facilitate the provision of community and regional facilities, the County has an active public infrastructure finance program to debt-finance needed facilities through mechanisms such as Mello-Roos Community Facilities Districts. County-issued tax-exempt bonds enable facilities to be financed at lower interest rates with repayment made over a number of years by property owners who use or are benefited by the facilities. These special tax payments are also tax-deductible. The County supports the formation of Mello-Roos CFDs in order to minimize the impact of infrastructure costs on housing prices.

C. Affordable Housing Sites

In 1979, the County adopted the Inclusionary Housing Program (IHP), which essentially required developers to provide 25% of all new dwellings within the affordable category (i.e., 120% or less of median income). In 1983, the IHP was replaced by the Housing Opportunities Program (HOP), which phased out mandatory requirements over a three-year period in favor of voluntary compliance with affordable housing objectives encouraged by County incentives and market forces. The adoption of the HOP did not alter the existing mandatory affordable housing requirements placed on projects as conditions of approval under the IHP.

A total of 26,907 mandatory affordable units have been required to date as part of General Plan amendments or zone changes. The vast majority of these (24,268) are found within planned communities, with the remainder scattered in conventionally-zoned parcels. Map B-1 shows the location of these planned communities along with the number of affordable units required in each.

Of the 26,907 affordable units required, 12,274 had been built as of June 30, 1988, with 14,633 additional units remaining to be built. These remaining units represent designated sites for affordable housing development.

Planned communities contain most of the available affordable housing sites, as they account for 90% of the total new affordable housing requirement for the unincorporated areas (26,907 total vs. 24,268 for major planned communities).

In addition to these affordable housing requirements, two redevelopment projects have been adopted with a combined area of 13,167 acres. Within these projects, individual project areas vary in size, composition, and potential for affordable housing sites. However, redevelopment law requires that not less than 20% of the taxes collected by the Orange County Neighborhood Development and Preservation Agency shall be used for increasing the supply of affordable housing in the county. This program is intended in part to compensate for the anticipated reduction in the levels of Community Development Block Grant (CDBG) funding. Map B-2 shows the location of the redevelopment areas along with an inventory of the dwelling units and acreage within each area.

PLANNED COMMUNITIES

MAP B-1

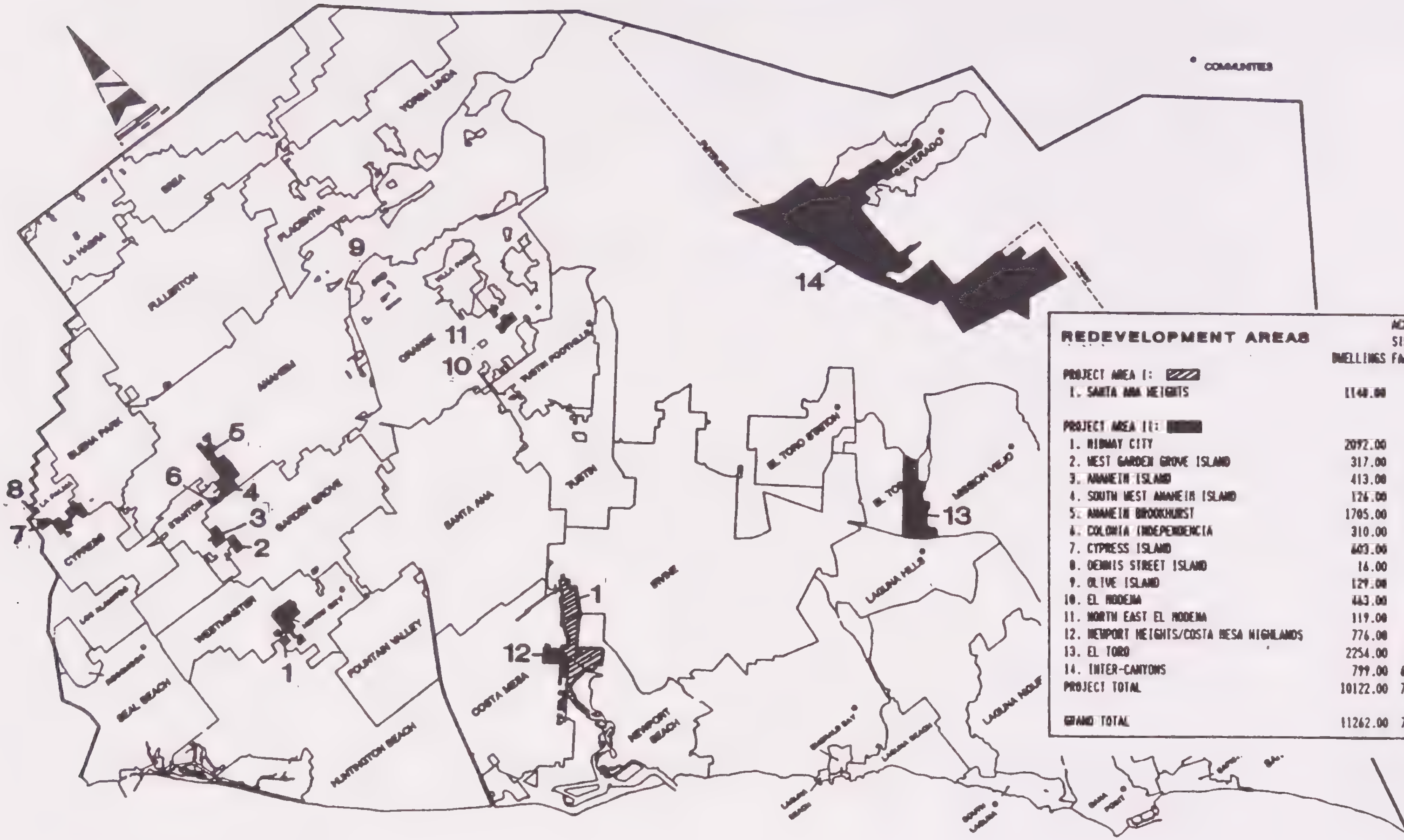
PLANNED COMMUNITIES WITH AFFORDABLE REQUIREMENTS

PLANNED COMMUNITY:	REQUIRED:
36 ALICIA CREEK	289
33 ALISO HILLS	296
45 ALISO VIEJO	5000
35 BEACON HILLS	231
54 BEAR BRAND	171
39 BEAR BRAND HILL	50
20 COLINAS DE CAPISTRANO	844
17 COTO DE CASA	1472
56 COUNTRY HOME	40
37 COUNTRY VILLAGE	1038
49 IRVINE COAST	648
55 LAGUNA LAUREL	320
28 LAGUNA NIGUEL	3148
13 MISSION VIEJO	3000
44 PORTOLA HILLS (GLENN)	370
51 RANCHO SANTA MARGURITA	3165
38 RANCHO DE LOS ALISOS	848
47 ROBINSON RANCH	220
46 SADDLEBACK MEADOWS	472
43 SERRANO HIGHLANDS	342
50 RANCHO TRABUCO	939
31 FOOTHILL RANCH (WHITING)	1365
TOTAL	24268

REDEVELOPMENT AREAS

MAP B-2

COUNTY OF ORANGE



REDEVELOPMENT AREAS

	DWELLINGS	ACREAGE: SINGLE-FAMILY	MULTI-FAMILY	MOBILE HOMES	VACANT	TOTAL
PROJECT AREA I:						
1. SANTA ANA HEIGHTS	1140.00	110.00	23.00	0.00	7.00	1078.00
PROJECT AREA II:						
1. MIDWAY CITY	2092.00	192.29	35.50	21.22	0.23	373.00
2. WEST GARDEN GROVE ISLAND	317.00	53.50	1.36	0.00	0.48	69.00
3. ANAHEIM ISLAND	413.00	76.19	0.17	0.00	0.00	99.00
4. SOUTH WEST ANAHEIM ISLAND	126.00	23.71	0.00	0.00	0.00	40.00
5. ANAHEIM BROOKHURST	1705.00	260.59	8.04	0.00	2.33	382.00
6. COLONIA INDEPENDENCIA	310.00	52.50	0.87	0.00	0.69	81.00
7. CYPRESS ISLAND	603.00	101.74	12.74	0.00	1.62	172.00
8. DENNIS STREET ISLAND	16.00	5.81	0.28	0.00	2.40	9.00
9. OLIVE ISLAND	129.00	13.22	3.84	0.00	1.41	37.00
10. EL MODENA	443.00	40.05	23.12	0.00	1.68	102.00
11. NORTH EAST EL MODENA	119.00	23.90	0.00	0.00	0.00	34.00
12. NEWPORT HEIGHTS/COSTA MESA HIGHLANDS	776.00	108.43	37.50	0.00	0.41	307.00
13. EL TORO	2254.00	216.50	29.50	65.57	1.66	856.00
14. INTER-CANYONS	799.00	6022.42	0.06	81.52	1157.00	9520.00
PROJECT TOTAL	10122.00	7191.01	152.98	168.31	1169.71	12089.00
GRAND TOTAL	11262.00	7301.01	175.98	168.31	1176.71	13167.00

D. Annexations/Incorporations

An important factor which will affect site availability (and housing need) in the county unincorporated area is the incorporation of areas such Mission Viejo (17,000 acres in 1988) and Dana Point (3,200 acres in 1989); and the annexation by Laguna Beach of South Laguna (1,300 acres in 1987). Within the next five years additional annexations or incorporations may include Laguna Hills (6,500 acres), Laguna Niguel (10,000 acres) and the possible incorporation of the Saddleback Valley area located generally north of Laguna Hills and west of Mission Viejo. These areas are shown on Map B-3.

E. Low-Income Housing Sites

Site identifications for low-income housing development is an ongoing program of the EMA Housing/Community Development (H/CD) Office. All property to be acquired with Community Development Block Grant funding requires HUD site review and approval. This includes environmental, land use, and financial feasibility considerations. In addition, CDBG program regulations require "principal benefit" to low-and moderate-income households (80 percent and less of the HUD-published median-income).

During the past year (1988) local government officials in the Southern California region began addressing the potential loss of federally assisted housing units. Private owners of federally assisted projects built 15-20 years ago with deep HUD subsidies are becoming eligible to prepay their mortgages and release themselves from low-income housing restrictions. This comes at a time when the federal budget for assisted housing has been cut by 70% since 1981, the number of low-income households in need has been increasing, and the responsibility for meeting housing needs has been shifted to state and local government. During the next 7 years it is expected that relatively few federally assisted developments will be built and the privately-owned stock of subsidized units may largely be converted to market-rate housing.

In Orange County, this translates into 49% of the total supply of federally assisted units at risk over the next seven years. Within the five-year study period of this element, of 5,459[1] federally assisted units estimated to be in the housing supply by 1994, 2,696 will be at risk. The following chart breaks down this figure into elderly and non-elderly units:

	Eligible to Convert by:			
HH Type	1989	1994	Total	%
Elderly	807	871	1,678	62
Non Elderly	22	996	1,018	38
Total	829	1,867	2,696	100

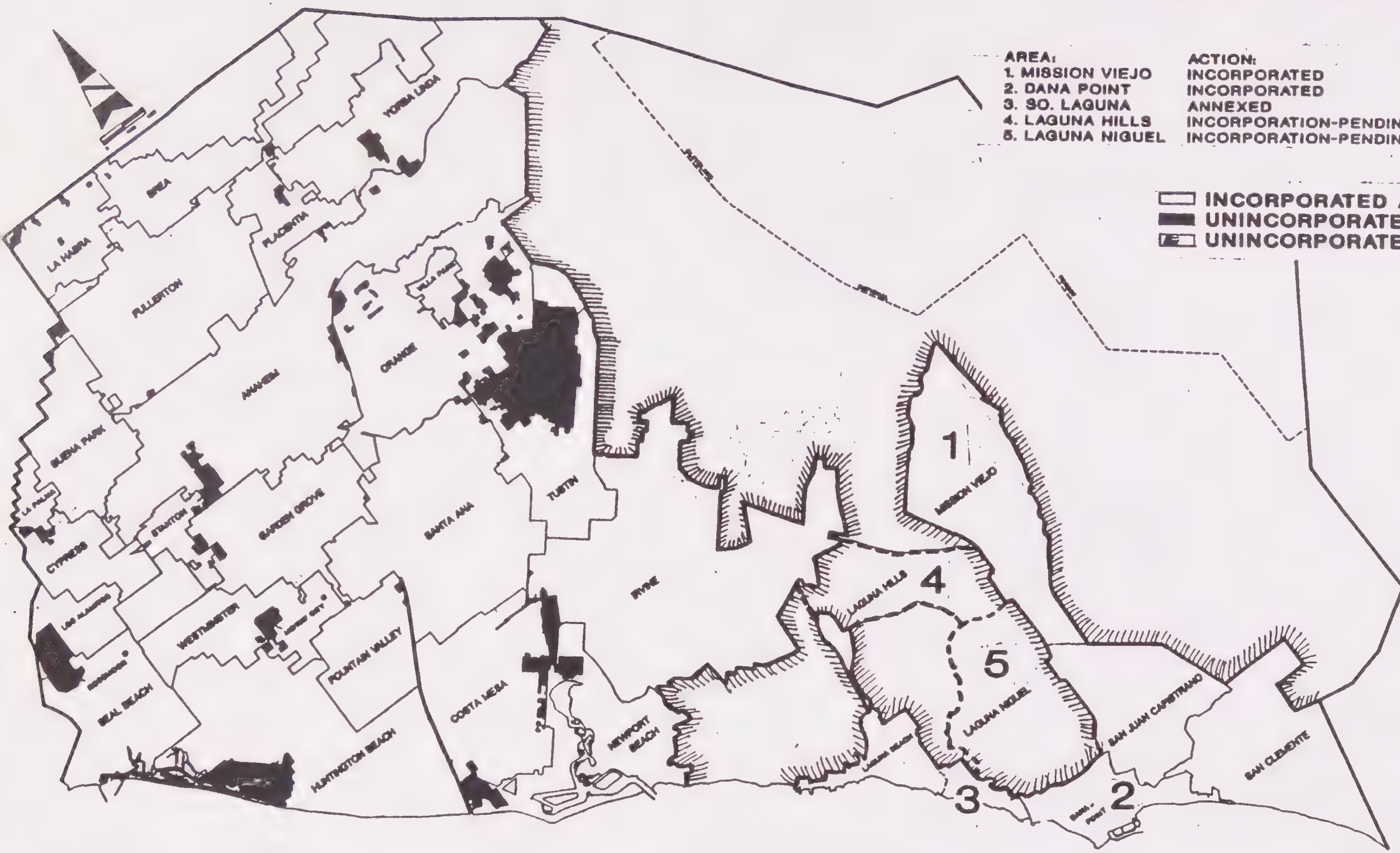
Source: Senate Office of Research, "Housing Alert," dated 12/87
Note: Potential expirations of Section 8 Existing Housing Contracts are not included.

[1]Note: Does not include Section 8 Existing Housing Certificates.

ANNEXATIONS / INCORPORATIONS

MAP B-3

1987-1994



AREA:	ACTION:	ACRES:	DATE:
1. MISSION VIEJO	INCORPORATED	17,000	3/88
2. DANA POINT	INCORPORATED	3,200	1/89
3. SO. LAGUNA	ANNEXED	1,395	12/89
4. LAGUNA HILLS	INCORPORATION-PENDING	6,500	10/89 OR 3/90
5. LAGUNA NIGUEL	INCORPORATION-PENDING	10,000	9/89 OR 12/89

- INCORPORATED AREAS
- UNINCORPORATED-ISLANDS
- UNINCORPORATED-MAIN AREA

The Congress and HUD are studying the issue. So far, Section 8 vouchers, inducements to extend contracts and a 3-year federal tax credit program are the principal weapons to attack the problem. Currently there is a moratorium on conversions while HUD studies how to deal fairly with concerned tenants and subsidized housing developers.

At the state level several bills were enacted in 1988 related specifically to the problem of preserving the stock of federally assisted housing. One bill, SB 1297 (Petris) creates a California Non-Profit Housing Corporation to raise capital to purchase projects that may wish to convert; another bill, SB 1473 (Petris) requires a 6-month notice to tenants and local government of the intent to prepay a HUD mortgage. Also, SB 113 (L. Greene) makes preserving federally subsidized housing a top priority for the use of federal tax credits in California. SB 572 and AB 53 makes subsidized housing preservation a top priority for the state low-income tax credit program and gives a special capital gains treatment to projects eligible for conversion that are sold to nonprofits that maintain the units as affordable housing.

On the regional level, steps to address this issue have also been taken. The Community, Economic and Human Development Committee (CEHD) at SCAG appointed a subcommittee of elected officials to monitor this emerging problem and report back with recommendations on how to coordinate local government and SCAG initiatives, particularly as they pertain to local housing element preparation, the Regional Housing Needs Assessment (RHNA), and the promotion of legislative action at the federal and state levels.

F. Surplus Government Property

Surplus properties of federal, state, and county governments and local school districts are periodically monitored for potential housing use, as are County Public Guardian estate real property, sales and tax-deeded properties offered by the County Assessor's Office. There are special problems applicable to each of these areas. For example, surplus school properties are generally located in highly urbanized districts where the potential enrollment is deemed to have already peaked. Such sites are generally in older Orange County cities that are not under County zoning control and are often surrounded by established single-family neighborhoods whose residents may strenuously oppose any multi-family intrusion. Lastly, school districts want "top dollar" for their resources and often expect bids above fair market value.

With estate sales, the Public Guardian is legally obliged to secure the maximum return to potential heirs and creditors and sets a minimum bid. Also, most estate properties are older single-family detached homes or small businesses that are not suited to more intensive residential use.

On tax-deeded properties, those few parcels that are more than strips of land resulting from subdivision surveying errors may be redeemed by their owners up to the date of sale or auction. Also, properties on which people refuse to pay their taxes are generally not developable without substantial time and money to provide infrastructure or improve access.

Despite all these problems, the County has managed to make surplus property available for potential housing sites. Of the current County surplus properties, several have limited potential for multi-family housing. A 21-acre inactive solid waste disposal site between the Santa Ana River and Riverside Freeway is at the end of an industrial road and is still settling, but remains a possibility--subject to the zoning authority of the City of Anaheim in which it is located. Many County-owned parcels are similarly located within independent cities exercising their own responsibilities as to zoning requirements. For example, a 1.43-acre site between the San Diego Freeway Edison Company powerline easement and a flood control channel in Westminster is not feasible to develop because the City insists on an access road constructed to standard width--to serve about five units.

Every other remaining parcel under County control presents serious development obstacles. A 0.34-acre site suitable for a duplex above the Chapman Avenue road cut in Orange Park Acres has an irregular slope of volcanic bedrock. A small parcel in Capistrano Beach adjacent to San Juan Creek is subject to flooding and has no public road access. Lastly, 16.51 acres between Santiago Canyon Road and Santiago Creek within the City of Orange is another inactive disposal site that is still settling, but has long-term possibilities.

Among County-owned properties not previously considered for housing are parcels or portions of parcels acquired for local parks but not yet developed. Some of these have been suggested as sites for less permanent housing types such as manufactured or mobile housing for 5 to 20 years. However, land acquired for recreation use may not be available for other uses due to legal prohibition, public resistance, and lack of infrastructure availability.

G. Mobile Homes and Manufactured Housing

As provided by state law and the Orange County Zoning Code, mobile or manufactured homes are permitted in all single-family zoning districts subject to certain minimum development standards. These standards are only intended to insure that such units meet health and safety standards, and are compatible with surrounding neighborhoods.

Mobile and manufactured housing developments are also permitted in multiple-family districts subject to the prevailing density or minimum site area regulations.

H. Transitional Housing and Shelters for the Homeless

The Orange County Zoning Code establishes siting requirements for these types of uses under the definition of "Community care facility". Such facilities serving 12 or less persons are permitted in any residential district subject to the prevailing site development standards.

APPENDIX C

Orange County Agencies Involved in Housing Provision

This appendix contains descriptions of County agencies or agencies with specialized services which aid in the provision of housing. These agencies administer a variety of programs which, to some degree, are part of the County's efforts to achieve its 5-year quantified objectives while implementing this element.

COMMUNITY SERVICES AGENCY (CSA)

A. Human Relations Commission (HRC)

Address: 1300 S. Grand, Bldg. B, Santa Ana, CA 92705
Phone: (714) 567-7470
Executive Director: Rusty Kennedy

Summary of Purpose and Function

HRC promotes socioeconomic and political opportunity including equity in housing. The Housing Committee: "Advocates for decent shelter and suitable living environment for every person in Orange County, regardless of socioeconomic status."

The HRC Housing Committee objectives are:

To work toward provision of local programs that increase and/or preserve low-income housing.

To increase public and private sector awareness and involvement in implementation of programs to assist the homeless in the County.

To increase public awareness and involvement in programs aimed at preventing residential displacement in low-income and/or minority neighborhoods.

The population served by the HRC Housing Committee is Orange County residents with emphasis on the low-income and minority population. An estimated 500 persons are served each month. Fifty persons are given direct personal assistance; an estimated 450 persons are assisted indirectly by technical advice and help of the housing specialist.

HRC Housing staff works with County staff from CSA, the Environmental Management Agency (EMA), Health Care Agency (HCA), County Administrative Office (CAO) and the Social Services Agency (SSA) as well as numerous agencies and community groups. Community groups include: Housing Coalition, Community Development Council, Interfaith Housing Association, American Association of University Women, Dayle McIntosh Center for the Disabled, Fair Housing Council, Share Ourselves, Orange Counter Renters Association, Coalition for the Homeless, League of Women Voters, Feedback Foundation and St. Anselm's Refugee Center.

Funding

Appropriation
General Fund

B. Orange County Housing Authority (OCHA)

Address: 2043 N. Broadway, Santa Ana 92706
Phone: (714) 836-3033
Executive Director: Sandra J. McClymonds

Summary of Purpose and Function

The Orange County Housing Authority was created by the Board of Supervisors on November 24, 1971 (Resolution #71-1366), to address the problem of shortage of rental dwelling units and financial resources to assist low-income persons residing in Orange County.

The powers which a housing authority may exercise are set forth in the California Health and Safety Code, Section 34200. Broadly stated, an authority may acquire, lease and operate housing projects for persons of low-income; provide counseling, referral and advisory services to person and families of low- or moderate-income in connection with purchase, rental, occupancy, maintenance or repair of housing; and administer rental assistance programs.

An authority may also investigate living conditions and means and methods of improving such conditions. Finally, an authority may issue bonds for any of its purposes.

The Orange County Housing Authority is governed by a five-member Board of Commissioners comprised of the elected members of the Orange County Board of Supervisors. A seven-member, Board-appointed Housing Commission, which advises the Board of Commissioners, is comprised of two tenant representatives and two League of Cities' representatives; the three remaining representatives are selected at-large by the Board of Supervisors.

Under cooperative agreements and authorizing resolutions, the Housing Authority services twenty-four (24) of the County's twenty-eight (28) cities and the County unincorporated area (Anaheim, Brea, Garden Grove, and Santa Ana have their own housing authorities). An Advisory Committee, comprised of one representative from each city and the unincorporated area of the county, meets monthly and makes recommendations to the Housing Commission on housing-related matters.

Funding

The Housing Authority administers Section 8 Programs, the Housing Development Finance Program, and other housing support service programs. The primary funding source for the Orange County Housing Authority is the U.S. Department of Housing and Urban Development. The Authority administers over $30,000,000 in rental assistance payments annually. Administrative costs of the Authority are paid from administrative fees earned. Other programs of the Authority are financed through direct fee charges, rental income, and the use of Authority reserves.

C. Area Agency on Aging

Address: 1300 S. Grand Avenue, Building B, Santa Ana, CA 92705
Phone: (714) 567-7418
Manager: Peggy Weatherspoon

Summary of Purpose and Function

The Area Agency on Aging is responsible for developing a comprehensive and coordinated system of services for older adults (age 60+) within the County of Orange.

The agency contracts with 26 service provider organizations for congregate and home delivered meals, and a myriad of social and supportive services including transportation, legal, case management, homemaker, minority outreach, employment, social day care, long term care ombudsman, and information and referral. Services operated directly by the Area Agency include a 200 client case management program called MSSP, and the Senior Shared Housing Coordination Program which coordinates shared housing intakes and matches for 18 city-based Senior Shared Housing Programs. The Senior Shared Housing Coordinator also staffs the Senior Citizens Advisory Council Housing Committee, comprised of senior advocates and professional personnel from the mobile home industry and housing community. The primary focus of the committee is to advocate for affordable housing for older adults.

With over 325,000 individuals residing in Orange County age 60+, 8% are estimated to be minority persons, and about 25% are at or near the poverty level. Individuals on fixed incomes residing in this high-cost-of-living-county struggle against soaring housing and rental increases. Thus, the Housing Committee serves as a chief advocate for this growing population of older adults.

Funding

The annual budget of $8,000,000 is derived from Older Americans Act funds, state general funds, a Health Care Financing Administration waiver, and client donations for services.

D. Special Programs Division

Address: 1300 S. Grand Avenue, Building B, Santa Ana, CA 92705
Phone: (714) 567-7370
Division Manager: Jane O'Grady

Summary of Purpose and Function

The Community Services Agency (CSA), Special Programs Office is charged with administering three housing-related programs: General Revenue Sharing Housing-Related Programs, Domestic Violence Program and the County Justice System Subvention (AB 90).

Under the General Revenue Sharing Program, County federal revenue sharing dollars available, with few restrictions, are allocated to social programs and County land, capital and operation expenditures, at the discretion of the Board of Supervisors. The Special Programs Office is responsible for administering Revenue Sharing Funds and for contract development and monitoring of social programs funded through Revenue Sharing. Projects completed under this program since its inception in 1980 include: Feedback Foundation Inc. - hotel relocation; CPC-Juvenile Alternative Care Center; C.S.P. Inc. - South County Youth Shelter, Laguna Beach; Child or Parental Emergency Services (C.O.P.E.S.); Casa de Bienvenidos; Turning Point/Amparo - Shelter Care Program; and, South County YMCA (Residential Hotel).

Domestic Violence funds are generated from a special assessment fee for the issuance of a marriage license and for the filing of a Certificate of Marriage. Senate Bill 1364 (Presley) enacted May 10, 1984 authorizes a fee of $19.00 to be collected for Domestic Violence Centers. The legislation imposes restrictions on the use of funds which include: 24 hour a day shelter, temporary housing, food, psychological support and peer counseling, referral and emergency services.

Victims of domestic violence and their children are provided the above services via three 24 hour a day shelters and a motel voucher program. Ninety-three beds are available for the former and motel beds are available as needed. Victims sheltered July 1, 1987 to June 30, 1988 numbered 944; victims estimated to be sheltered July 1, 1988 through June 30, 1989 are 1,032.

AB 90 provides funding for programs relating to crime and delinquency prevention. Community-based programs include youth shelters for youth who are in crisis (runaways, abused, incorrigible), emancipation training for youth ages sixteen to seventeen who cannot live at home, and a residential community corrections program designed as an alternative to County jail and as a resource for probationers in transition from institutionalization to society. In FY 1987/88, 757 youth and 181 adults received residential services. In FY 1988/89, it is projected that 944 youth and 175 adults will receive residential assistance.

A final housing-related program which CSA/Special Programs Office helps to administer is emergency shelter and services as provided through the Federal Emergency Management Agency (FEMA). The FEMA Local Board consists of individuals affiliated with United Way, the Salvation Army, National Council of Churches, National Council of Catholic Charities, Council of Jewish

Federation, American Red Cross and the highest ranking local government official, who is Chairman of the Board of Supervisors, and is represented on the local FEMA Board by Joan Connery of the Special Programs Office.

FEMA provides to low income persons emergency food and shelter assistance. The Local Board sets local priorities, reviews RFPs, recommends allocation levels to National FEMA Board and monitors local programs receiving funds. The FEMA funds appropriated for 1988 provided 112,278 nights lodging. Nights lodging projected for 1989 is 97,132.

		1988	1989
Mass Shelter (large facility)		21,681 nights	26,536 nights
Other Shelter (motel, camp, park)		32,633	36,996
Rent and mortgage		57,964	33,600
	Total	112,278 nights	97,132 nights

Funding

1. General Revenue Sharing Programs: Revenue Sharing Funds
2. Domestic Violence Program: Marriage License Fees
3. County Justice System Subvention Program: State Appropriation (AB 90)
4. Federal Emergency Management Agency: Federal Appropriation

COUNTY ADMINISTRATIVE OFFICE (CAO)

A. Bond/Capital Finance Program

Address: 10 Civic Center Plaza, 3rd Floor, Santa Ana, CA 92701
Phone: (714) 834-4775
Manager: Stephen V. Kozak, Jr.
Housing Program Contact: Susan Steinfeld

Summary of Purpose and Function

The CAO Bond Capital Finance Program identifies, evaluates, implements, and manages unique or alternative financing programs to meet the County's long-term financing needs.

The County of Orange has established two housing revenue bond programs to increase the supply of housing stock in participating cities and the unincorporated areas of the County. Under these programs, tax-exempt bonds are used to provide funds for construction loans and mortgages to encourage developers to provide both rental and for-sale housing which is affordable to lower income families and individuals.

Single Family Residential Mortgage Revenue Bond Program

The Single Family Residential Mortgage Revenue Bond Program has existed in Orange County since 1980. The Program is designed to provide mortgage loans to first-time home buyers whose incomes do not exceed maximum federal limits. Buyers must also intend to live in the homes as their principal residence. Mortgage loans offered under the bond program generally have lower interest rates than conventional loans. Loans are made available for attached and detached single family residences primarily in eligible new developments at various locations throughout the county. A smaller portion of funds is available for existing or resale units countywide. Since the inception of the program, approximately $532 million has been made available to finance mortgage loans for approximately 7,103 new and resale residences.

Multi-Family Apartment Revenue Bond Program

The Multi-Family Apartment Development Revenue Bond Program was developed in Orange County in 1982. This Program is designed to make financing available to developers for the construction of multi-family residential rental units in the county. In order to receive financing through this program, developers must reserve 20 percent of the units for 15 years for rental by families or individuals who earn 50 percent or less of the federal median income. Since the inception of the program, the County has issued bonds totaling $1.1 billion to develop 16,726 apartment units throughout the county. Of these, 3,991 apartments have been designated for occupancy by income qualified tenants.

The Tax Reform Act of 1986 significantly changed the requirements and procedures for the issuance of tax-exempt multi-family bonds. Since 1986, the increased restrictions imposed at the Federal and State level have significantly slowed the interest on the part of apartment developers for this program.

Additionally, the single family bond program has also experienced decreased activity. The single family program is patterned after the Federal Housing Authority (FHA) Home Mortgage Program because of the government backed securities that insure these mortgages. The FHA maximum loan limit for 1989 is $101,250. The rising cost of land in Orange County has reduced the number of single family units available within this price range and accounts for the reduced activity in the single family bond program.

Funding

The financing for the housing revenue bond programs comes from the sale of municipal revenue bonds to investors. Investors receive interest on their investment which is tax-exempt at the Federal and California State levels.

The bonds are repaid from the mortgage loans originated under the single family housing bond program and loan payments from the developers of the multi-family apartment units. The County, State, or Federal Government provides no repayment obligation nor any pledge of its revenues, taxes or assets.

ENVIRONMENTAL MANAGEMENT AGENCY (EMA)

A. Advance Planning Division

Address: 12 Civic Center Plaza, Room 243, Santa Ana, CA 92701
Phone: (714) 834-5380
Manager: Joan S. Golding

Summary of Purpose and Function

EMA/Advance Planning Division, Element Planning Section is charged with the updating of all elements of the General Plan (excluding the Transportation Element). State law requires a comprehensive 5-year review and update of the County's Housing Element. This review must include the following:

- The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.

- The effectiveness of the housing element in attainment of the community's housing goals and objectives.

- The progress of the County in implementation of the housing element.

One of the key components of the process is a public participation program that seeks to involve all economic segments of the community in the Housing Element evaluation and update. A technical advisory committee is established and public workshops are held in order to solicit suggestions regarding the Housing Element.

Another function of the Advance Planning Division is the administration of the Housing Opportunities Program. A key component of the County's overall housing strategy is to encourage the production of market-rate housing that is affordable to households with incomes under 120 percent of the County median. In undertaking this program, the County commits itself to the following:

- Ensuring that it has authorized development of all types of housing in areas appropriate for residential development and at sufficient densities to permit the program's performance objective to be met;

- Developing the necessary program capability and expertise to carry out its role and meet its commitment to the Housing Opportunities Program; and

- Developing and implementing support and incentive mechanisms to assist private developers in achieving the program's performance objectives.

Finally, the Advance Planning Division is responsible for the incorporation into its affordable housing program of data from the Housing Affordability Monitoring System (HAMS) Report. This document, in previous years prepared by the County Administrative Office, provides the Board of Supervisors with a periodically updated data source regarding the state of housing in Orange County. The main focus of the report is to present information pertaining to the production of affordable housing within the County's unincorporated

area. The HAMS Report provides a convenient reference document for decision-makers to assess the progress achieved toward meeting specific objectives included in the Housing Element of the County's General Plan.

This report was created in response to Resolution 83-184, which directed the compilation of an objective data base and monitoring system in order to ascertain the progress attained toward meeting the following goals:

- The production of housing units affordable to households with a broad range of income levels.

- The need and provision of housing for all segments of the population.

- The establishment of communities with a balance of jobs and housing.

The HAMS Report presents data reflecting affordable housing production under the County's Inclusionary Housing Program (IHP), adopted in 1979, and the Housing Opportunities Program (HOP) which replaces the IHP under revised Housing Element H 83-1.

Funding

(1) For General Plan Update	County General Fund
(2) For Housing Development (HOP)	Private Mortgage Lenders HUD/FHA Revenue Bonds California Housing Finance Agency (CHFA)
(3) For Program Expertise and Capability (HOP)	County General Fund Community Development Block Grant

B. Housing and Community Development (H/CD)

Address: 1200 N. Main, Suite 600, Santa Ana, CA 92701
Phone: (714) 568-4199
Director: Dhongchai (Bob) Pusavat

Summary of Purpose and Function

The Housing and Community Development (H/CD) Program is a federally funded program developed to address some of the low and moderate income family needs related to housing and community development. The County of Orange prepares the application annually for submittal to the U.S. Department of Housing and Urban Development (HUD). Typically, these funds are used for basic programs including:

1. Rehabilitation of Homes

   The County has a Home Improvement Program for low-moderate income areas. The Home Improvement Program provides low interest loans, deferred payment loans and grants (when necessary) to assist qualified low income homeowners, tenants and landlords to correct code violations, repair hazards and provide necessary home improvements. Properties should be located in target areas within the unincorporated County or contracting cities.

   Typical financing may include:

   LOW INTEREST LOANS - 15 year loan term
   DEFERRED PAYMENT LOANS - Zero interest, due in full only upon sale or transfer.
   OWNER REBATES - for necessary improvements
   GRANTS - Emergency repairs, health and safety hazards
   RENTAL REHABILITATION PROGRAM ONLY - To benefit low income renters
   3% to 9% interest, 15 year loan term
   Deferred payment loans, 2% interest, 10 year loan term
   50% Cash Rebate up to $5000 per rental unit

2. Public Improvements in Support of Neighborhood Preservation

   These projects can consist of:

   a. Street improvements, lights, traffic signals
   b. Sidewalks, curbs, gutters, storm drains

3. Community Facilities in Support of Neighborhood Preservation

   These projects can consist of:

   a. Rehabilitation or construction of community centers
   b. Improvements to playground and parks

4. Grant Assistance to Non-Profit Organizations/Groups

   Direct and staff assistance may be provided to non-profit organizations serving low-income persons in the areas of discrimination, housing, employment, training, health care, day care and community activities.

The primary participants and beneficiaries of the H/CD Program are low- and moderate-income residents. It is the intent of the program, however, that all segments of the affected community participate in community revitalization and the housing programs.

The unincorporated areas which submitted proposals for the thirteenth Block Grant year (Fiscal Year 1988-1989) were:

Anaheim Independencia, Anaheim Island, Brookhurst/Ball, Capistrano Beach, Cypress Island, Denni Street, Dana Point, El Modena, El Toro, Inter-Canyons (Modjeska, Silverado, Trabuco), Mac Island, Northeast El Modena, Orange-Olive, Rustic Lane, Southwest Anaheim, Sherwood Forest, Santa Ana Heights, and West Garden Grove.

Participating cities with populations under 50,000 include:

Brea	Los Alamitos	Seal Beach
Cypress	Placentia	Stanton
Laguna Beach	San Clemente	Tustin
La Habra	San Juan Capistrano	Villa Park
La Palma		Yorba Linda

Residents within participating cities may contact their city administrator for specific city H/CD information.

<u>Funding</u>

1. Annual Federal Block Grant (CDBG) allocation for unincorporated Orange County and participating cities.

2. Tax Increment Funds from the newly adopted Orange County Neighborhood Development and Preservation Project under California Predevelopment Law.

HEALTH CARE AGENCY (HCA)

A. Adult Community Mental Health Services

Address: 515 No. Sycamore Street, Santa Ana, CA 92701
Phone: (714) 834-5904
Manager: Doug Barton

<u>Summary of Purpose and Function</u>

Adult Community Health Services administers three housing-related programs: Homeless Mentally Disabled Program, the Transitional Living Center and Case Management Services (Placement Services).

The Homeless Mentally Disabled Program is a comprehensive system of services for homeless mentally disabled adults which has three basic components: Case Management/Outreach, Housing, and Multi-Service Centers. A centralized County staff of outreach workers links homeless persons with seven contracted shelter facilities and three multi-service centers. The centers provide socialization, laundry and shower facilities, hot meals, transportation and vocational services. Services may be accessed by contacting the program at (714) 568-4252.

The Transitional Living Center is a 29-bed licensed Adult Residential Care facility which provides a supportive home environment, 24-hour supervision, daily activities and transportation for mentally disabled adults. Services may be accessed by contacting Anaheim Case Management at (714) 447-7200.

Case Management or placement services are services which provide for continuity of care for severely and persistently mentally disabled adults within the Mental Health system and related social service systems. Services include placement, hospital discharge planning, development of individual service plan, crisis intervention and assistance in daily living. Placement services may be accessed by contacting the Mental Health Case Management unit nearest to the clients residence:

Fullerton	(714) 447-7000
Anaheim	(714) 447-7200
Santa Ana	(714) 834-8250
Westminster	(714) 896-7540
Garden Grove	(714) 636-7300
Costa Mesa	(714) 850-8461

<u>Funding</u>

Short-Doyle Funds
Homeless Categorical Funds

SOCIAL SERVICES AGENCY (SSA)

A. AFDC Homeless Assistance Program

Address: 1055 N. Main Street
Phone: (714) 541-7700
Director: Larry Leaman

Summary of Purpose and Function

This program assists homeless families with children who are AFDC eligible. Families who meet AFDC criteria may receive up to 4 weeks of payments (based on family size) for temporary shelter and last month's rent and deposits for permanent shelter if the rent is no more than 80% of an AFDC grant for the family. No family may receive this assistance more than once in 12 calendar months. All of the offices listed below take and process applications for AFDC Homeless Assistance.

East District
2020 W. Walnut
Santa Ana, CA 92703
(714) 834-8902

Refugee District
1619 W. 17th Street
Santa Ana, CA 92706
(714) 834-7073

South District
290 Fisher Avenue
Costa Mesa, CA 92626
(714) 850-8500

West District
9191 Westminster Avenue
Garden Grove, CA 92644
(714) 896-7799

San Juan Capistrano District
32118 Paseo Adelante, Suite 1-A
San Juan Capistrano, CA 92675
(714) 496-3514

North District
1133 Homer Street
Anaheim, CA 92801
(714) 490-5160

Funding

This statewide program was implemented February 1, 1988 and utilizes funds according to the AFDC sharing ratio of approximately 50% federal, 45% state and 5% county dollars. Although the program is proposed for continuance through January 31, 1990, federal participation is not assured. Under current state law this program would have to be discontinued if federal funds become unavailable.

B. Emergency Shelter for the Homeless

Address: 1055 N. Main Street
Phone: (714) 541-7700
Director: Larry Leaman

Summary of Purpose and Function

In 1987, the governor authorized the use of National Guard Armories to house the homeless on an emergency basis when night temperatures dropped to 40 degrees or below or temperatures were 50 degrees accompanied by rain. SSA has the lead role in arranging armory operations, but active participation by other agencies and community groups has been the key to keeping this service functional.

When evening weather forecasts indicate a need for opening the armories, agencies who provide for the homeless are notified. Bus transportation from a series of pick-up points is provided. The shelters open at 6:00 p.m. and close at 7:30 a.m. Dinner and breakfast are provided by Feedback Foundation; volunteers assist in serving meals and clean-up activities. Red Cross provides cots, blankets, and towels. Shower facilities are available on site. SSA and other County agencies and certain city managers provide on-site supervision throughout the night. SSA also handles laundry, storage, and security arrangements.

In 1988-1989, the armories have accommodated 5,821 homeless people and churches, which are used on an emergency overflow basis, have accommodated another 1,165 persons.

National Guard Armory
612 E. Warner
Santa Ana, CA 92707

National Guard Armory
400 S. Brookhurst
Fullerton, CA 92633

Funding

Homeless Shelter Charitable Trust Fund
Federal Emergency Management Act Funds
Stewart McKinney monies

Donations and Contributions by:

- Feedback Foundation
- California National Guard
- O.C. Chapter of the Red Cross
- O.C. Sheriff's Department
- O.C. Marshal's Office
- City of Santa Ana Park Rangers

ORANGE COUNTY HOMELESS ISSUES TASK FORCE

Address: 13252 Garden Grove Blvd., Suite 200, Garden Grove, CA 92643
Phone: (714) 740-1157

Executive Board (1988-1989):

Chairman: Scott Mather (S.O.S., Orange Coast Interfaith Shelter)
Vice-Chairman: Alison Klakovich (Rainbows to End Hunger)
Secretary: Kelley Sullivan (Food Distribution Center)
Committee Chairmen:
By-Laws and Membership: Janie Arnold (Sen. Marian Bergeson's Office)
Education: Dianne Russell (YWCA)
Kathie Murtey (Public Guardian)
Housing: Jim Miller (Housing)
Research: Alison Klakovich (Rainbows to End Hunger)
Resource: Maria Mendoza (County Administrative Office)
Fiscal: Dan Harney (St. Vincent de Paul Society)
Legislative: Lee Podolak (League of Women Voters)
Staff: Susan Oakson

Summary of Purpose and Function

Founded in 1985 by Senator Marian Bergeson (R-Newport Beach), the purpose of the Task Force is to provide regional leadership and direction in creating a working coalition and partnership between homeless persons, service providers, advocates, government, and public representatives as they identify and address the issue of homelessness.

Further, the Task Force aims to be a catalyst in securing positive solutions for homelessness that use the financial and human resources of Orange County's public, non-profit, religious and private organizations and groups.

The Task Force will address homelessness through emergency care, transitional shelters, and low-income housing.

Finally, the Task Force strives to end involuntary homelessness in Orange County.

Funding

Hands Across America Grant
Private donations

H.O.M.E.S., (HELPING OUR MENTAL iLL EXPERIENCE SUCCESS)

Address: 1905 East 17th Street, Suite 217, Santa Ana, CA 92705
Phone: (714) 836-6543

Board of Directors (1989):

President: Ramona Schneider (California Council on Mental Health, Alliance for the Mentally Ill - Orange County)
Vice President: Marie McNabola, Ph.D. (Orange County Mental Health Advisory Board)
Secretary-Treasurer: Nancy Weir (Alliance for the Mentally Ill - Orange County)

Beverly Cunningham (Alliance for the Mentally Ill - Orange County)
Mildred Garcia (Board & Care Quality Assurance Committee for the Mentally Ill)
Pat Lenard (Consultant)
Eileen Miller (Orange County Mental Health Advisory Board)
Jim Nantais (Developer)
Allan Rawland (Professor, Graduate School of Social Work - Cal State, Long Beach)
Chris St. Clare (Partner, Accounting firm)

Summary of Purpose and Function

HOMES is a non-profit corporation organized in 1985 with the goal of providing an array of housing options for the mentally ill. HOMES currently provides three houses at the semi-independent level with supportive services in Orange County for mentally ill adults. The current program is considered transitional, and residents move on to independent living when their Section 8 certificates become available to them.

Funding
(Fiscal year 1988-89)

Private donations
Revenue Sharing
Rent from residents

APPENDIX D

ORANGE COUNTY

HOUSING OPPORTUNITIES PROGRAM

Policies and Guidelines

TABLE OF CONTENTS

A. Program Rationale

WHEREAS, the price of housing in Orange County has increased rapidly in the past several years; and,

WHEREAS, substantial numbers of Orange County low-income households are paying in excess of 35% of their limited incomes for housing; and,

WHEREAS, as a result of the above, there is a high demand for low- and moderate-income for-sale and rental housing in the County; and,

WHEREAS, there are significant and expanding industrial and service employment needs and opportunities for workers with incomes at or below the County median who cannot find affordable housing in reasonable proximity to their work and thus must commute excessive distance; and,

WHEREAS, such commute distance has had and will have an increasing negative impact on the County's transportation system, air quality and energy consumption; and,

WHEREAS, public housing and housing subsidy programs can meet only a small portion of the need for low- and moderate-income housing; and,

WHEREAS, the vast majority of housing units have been and will continue to be produced by the private housing industry; and,

WHEREAS, this industry has the knowledge and ability to produce housing in the affordable range given supportive government policies and incentives; and,

WHEREAS, pursuant to state law, the County has an obligation to make adequate provision for the housing needs of all economic segments of the community; and,

WHEREAS, the County has required the provision of affordable housing through the Inclusionary Housing Program (IHP) from 1979 to 1983 and the Housing Opportunities Program (HOP) from 1983 to the present; and,

WHEREAS, the County has met and exceeded previous low- and moderate-income production objectives, and,

WHEREAS, it is the goal of the County to continue the production of housing units affordable to households in a broad range of income levels; and,

WHEREAS, the County has established commitments under both IHP and HOP for a majority of the unincorporated area that remains to be developed, and the commitments will remain in effect assuring a continued supply of affordable housing in the short- and long-term future consistent with this goal; and

WHEREAS, County efforts to encourage construction of affordable housing should be focused on the segment of the population with the greatest need, i.e., low- and very-low-income households.

NOW, THEREFORE, BE IT RESOLVED, for those areas of the County not covered by affordable housing commitments, the County will continue to pursue a voluntary program for affordable housing consistent with the County objective and will evaluate it to assure that the County objective continues to be met.

BE IT FURTHER RESOLVED, the County will continue to monitor the provision of affordable housing to insure compliance with existing requirements and program objectives.

BE IT FURTHER RESOLVED, the Housing Opportunities Program shall include the policies, guidelines, objectives, and criteria stated below and shall supersede any earlier adopted Resolutions regarding affordable housing.

B. Guiding Principles for the Housing Opportunities Program

1. A joint and balanced commitment by developers and the County to affordable housing objectives is essential to a successful housing program. Therefore:

   a. Program emphasis is placed on engaging the resources of the private housing industry in devising workable methods for achieving affordable housing objectives;

   b. The program is based on recognition that housing projects must be economically feasible, i.e., the developer should have an opportunity to make a reasonable profit;

   c. The County should seek affordable housing commitments, whether voluntary or mandatory, at the largest possible scale and at the earliest possible stage of the development process so that housing types, densities, etc., can be planned to support and implement the program's affordable objectives. Concurrently, it should identify and apply those incentives and support programs, which will be provided to complement developer commitments.

2. The program should contain strategies to reduce housing costs through all available techniques.

3. The objective of the Housing Opportunities Program is that at least 25% of the new housing built in the unincorporated area be affordable to households earning no more than 120% of the County Median Income and be further allocated as follows:

   10% - Low
   10% - Moderate I
   5% - Moderate II

4. Primary emphasis in the investment of public funds should be to provide housing for households in greatest need, i.e., 80% of median income and below.

5. Depending on project scale, the affordable units should be designed to satisfy the widest possible range of housing needs: e.g., singles, elderly, disabled, couples, and families with children.

6. Affordable units should be located and designed so that they are compatible with their surroundings. Adequate provision should be made for imaginative architectural and site design, landscaping and maintenance of common areas to meet this objective.

7. Affordable units should be distributed throughout the community in such a manner that undue concentration of such units is avoided and buyers/ renters have reasonable access to community employment opportunities, services, facilities and public transportation.

8. Since economic integration of diverse income groups is not the program's purpose or goal, it is not necessary that every planning area or development project contain a mix of affordable and "non-affordable" units, provided that a plan for the dispersal of the required affordable units over a larger project area has been adopted.

9. The program should be sensitive to changing market conditions and be designed to minimize County and private industry overhead expenditures.

10. The County should provide technical information to cities that wish to undertake affordable housing programs and offer them an opportunity to participate in joint programs when feasible, e.g., revenue bond financing and the Community Development Block Grant Program.

11. Although state law permits affordable housing requirements to be met by rental units, developers are encouraged to satisfy at least one-half of a project's Moderate I requirement and three-quarters of the Moderate II requirement with for-sale units in order to provide appropriate home ownership opportunities for households of moderate means.

12. To implement the Housing Opportunities Program, the Director, EMA, shall prepare appropriate standard conditions for the Manual of Standard Conditions of Approval.

13. Families of five or more persons should be given priority in buying or renting affordable units with three or more bedrooms.

14. The County requires that an affordable unit be owner occupied. However, blood relatives not living in the affordable unit may cosign a loan to allow a buyer to qualify.

C. Definitions

Affordable Housing Implementation Plan (AHIP): A document which defines the method(s) of compliance with the mandatory affordable housing requirements of a residential development. Also known as Housing Element Implementation Plan. AHIPs may include/require Housing Program Reports, Rental Agreements, and Transfer of Credit Reports.

Affordable Unit:

- Rental: Any multiple-family structure built pursuant to the Inclusionary Housing Program or Housing Opportunities Program for rental purposes.

- For-Sale:

  Income Based - A unit that is sold to and occupied by a household in an income category established by the Housing Affordability Table.

  Cost Based - A unit whose cost after a 10% down payment, given the best available fixed-rate fully amortized 30-year loan, including principle, interest, taxes, insurance, and homeowner association dues, would not exceed the maximum monthly mortgage payment established by the Housing Affordability Table, regardless of occupant income. Alternative financing mechanisms (e.g., adjustable rate mortgages) may be used by purchasers, but calculations for purposes of certifying affordability shall be based on prevailing fixed-rate terms.

Density Bonus: An increase in the density of a residential project above that normally permitted by zoning in order to facilitate the provision of affordable housing. The standard density bonus is 25% above zoning. No additional density bonus shall be granted where increased density has been approved and specifically conditioned in writing to facilitate affordable housing as part of a previous Land Use Element amendment or zone change.

Excess Affordable Unit Credit: An affordable unit which is not needed to satisfy the affordable unit requirements of the Inclusionary Housing Program or Housing Opportunity Program. These credits may be transferred only within the Planned Community in which they were generated to satisfy affordable housing requirements.

Housing Affordability Table: A computation of maximum income levels and maximum monthly mortgage or rental payments based upon the County Median Income prepared by the Manager, Advance Planning Division according to the following methodology:

- Income-Based Calculation: Affordable income-based definitions are calculated by using 80% of the median income as the maximum allowable income for Low-income households, 100% of the median income as the maximum allowable income for Moderate I households, and 120% of the median income as the maximum allowable income for Moderate II households.

- Cost-Based Calculation: The cost-based portion of the Housing Affordability Table (HAT) indicates the maximum monthly payment permitted in each affordable income category (see definition under "Affordable Unit"). The maximum monthly payment is calculated by taking 30% for rental units or 33% for for-sale units of the maximum income permitted for each category and dividing by 12.

Housing Program Report: A detailed report regarding the provision of mandatory affordable housing in a residential development which specifies the affordable requirement, on-site or off-site compliance, and the type of housing product.

Inclusionary Housing Program: The mandatory affordable housing program adopted in 1979 and superseded by the Housing Opportunities Program in 1983.

Income, Median: That figure published and periodically updated for Orange County as a whole by the Chapman College Center for Economic Research or another source determined to be more appropriate by the Director, EMA.

Income, Very Low: 50% or less of median income.

Income, Low: 51% to 80% of median income.

Income, Moderate: 81% to 120% of median income.
This income range is further subdivided as follows:

Moderate I: 81% to 100% of median income.

Moderate II: 101% to 120% of median income.

Rental Agreement: An agreement to satisfy affordable housing requirements by providing rental units.

Vested Excess Affordable Unit Credit: An "excess affordable unit credit" created prior to July 17, 1986 and part of a tentative tract map, use permit, or site plan approved prior to July 17, 1983. Vested credits may be transferred anywhere within the unincorporated area regardless of where they were generated.

D. Program Description

The Housing Opportunities Program consists of both mandatory and voluntary components in which County regulatory powers are combined with specified incentives to achieve program objectives.

1. Mandatory Component: The County recognizes that there is a committed supply of mandatory affordable housing in previously approved Inclusionary Housing Program and Housing Opportunities Program projects. Applications to amend those commitments with respect to the number or percentage of affordable housing units required under those previous approvals will be discouraged.

    a. Although the dispersal of affordable units is desirable, it is not required that every project provide affordable units on-site. Developers may transfer excess affordable unit credits of any income category from other projects which have produced excess affordable credits.

b. It is recognized that development phasing depends on available infrastructure and physical constraints, and that affordable housing sites may not always be appropriate for the initial phase of development. However, to the extent feasible, the desired percentage of affordable units should be constructed as early as possible and prior to the last development phase of the "non-affordable" units.

c. Provision will be made for the certification of affordable units produced under the program. The Director, EMA is responsible for establishing administrative mechanisms for this purpose and will ensure that these mechanisms are as simple and inexpensive to apply as possible.

d. Implementation of the mandatory component is via Affordable Housing Implementation Plans. When such documents are clearly consistent with all provisions of the Housing Element, they may be approved by the Director, EMA. Otherwise, they shall be considered by the Board of Supervisors.

e. If a new unit has been offered for sale to eligible buyers pursuant to both income-based and cost-based criteria and the unit remains unsold after 90 days, then:

   (1) The unit may be sold to anyone at the same price it was offered to eligible buyers, and

   (2) The builder will be given affordable credit for the unit within the applicable affordability category based on cost based criteria only.

f. If a new unit has been offered for rent to eligible renters pursuant to both income-based and cost-based criteria and the unit remains unrented for 30 days, then:

   (1) The unit may be rented to anyone at the same rate that it was offered to eligible renters.

   (2) If the builder is able to document that a good faith attempt was made to rent to target income groups for 30 days, then affordable credit will be given for the unit at the level of rent or the gross income of the renter, whichever is lower.

g. If there are no subsidy programs available and other incentives are not sufficient to make compliance economically feasible, all or a portion of mandatory low-income units may be satisfied by the provision of units at the Moderate I level. This provision should be utilized as a last resort once all avenues of assistance, incentives and marketing considerations have been adequately explored and found not feasible for a particular project.

h. Families of five or more persons shall be given priority in buying or renting units with three or more bedrooms. If after 90 days (for-sale) or 30 days (rental) such units remain unsold or unrented, then they may be sold or rented to households of any size.

2. Voluntary Component: This component is intended to complement the mandatory requirements of the Housing Opportunities Program. Any affordable units provided in excess of requirements are voluntary affordable units. A unit may not be counted as voluntary if it is used or transferred to meet mandatory requirements.

In order to monitor the provision of voluntary affordable units, builders will be required to provide information on buyer incomes and selling prices or rents of all residential developments of 5 units or more. The Director, EMA, is responsible for establishing administrative mechanisms for this purpose and will ensure that these mechanisms are as simple and inexpensive to apply as possible.

The information received in compliance with this condition will be kept confidential except for its annual use in compiling aggregate affordable housing production statistics.

E. County Support and Incentives to Affordable Housing

Developers agreeing to provide units affordable to households earning not more than 120% of the median income will be evaluated on the basis of need for County incentives outlined below. Special consideration for County incentives will be made for developers agreeing to provide units affordable to households earning 80% of median income or less.

1. Criteria for which affordable housing will be evaluated for County support include the following:

   a. Affordability - The extent to which the project provides affordable dwelling units responsive to the needs defined in the Housing Element.

   b. Infrastructure Capacity - The degree to which infrastructure components within the area in which the project is located are capable of accommodating the proposed densities.

   c. Speculation Control/Continued Affordability - The extent to which the project prevents first buyer speculation gain and/or provides for the long-term availability of the affordable units.

   d. Location - The proximity of the project to public services and facilities, employment centers, and commercial centers required for the expected needs of project residents of affordable units.

   e. Accessibility to the Disabled - The extent to which projects incorporate accessible design configuations in excess of minimum standards.

2. Increased incentives may be provided to developers in exchange for additional public benefits such as the following:

   a. Providing more than the minimum required residential units proposed as Low Income.

b. Providing low-income senior citizen housing.

c. Providing very-low-income units (50% or less of the county median income.

d. Providing low-income three- and four-bedroom rental units.

e. Maintaining the affordability of rental units for a period greater than the minimum required.

f. Providing handicapped-accessible low- and very-low-income units in excess of minimum requirements.

g. Combinations of the above public benefits.

3. The specific incentives to be provided for a project will be determined on a case-by-case basis. Incentives which may be made available include the following:

   a. County housing revenue bond financing for all of the affordable units to be constructed, as needed in times of high interest rates.

   b. Density bonus or relaxation in site development standards per Zoning Code Section 7-9-140.

   c. Land write-down through use of CDBG funds or other revenue sources.

   d. Elimination or reduction of non-park open space requirements on land which is not environmentally sensitive.

   e. Elimination or reduction of off-site improvements and public facility requirements or fees which are not generated by or essential to the proposed project or necessary for the public health and safety such as libraries, trail improvements, landscaping, etc.

   f. Provide public financing of residential infrastructure and form special assessment districts.

   g. Secure federal or state housing program funds.

   Consideration shall be given to other incentives not listed which are feasible, do not create a burden on other housing projects, and which do not jeopardize the public health and safety.

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APPENDIX E

Energy Conservation: Building Energy Standard for Residential Development (Title 24)

APPENDIX E

Energy Conservation: Building Energy Standard for Residential Development (Title 24)

Building energy standards for new residential development establish "energy budgets", or maximum energy use levels, for three types of residential buildings applicable to each of 16 climate zones within California. These standards supersede local regulations, and state requirements mandate their implementation by local jurisdictions. Consequently, any further analysis of energy conservation beyond the Title 24 standards is unnecessary. Furthermore, any locally adopted conservation measures to achieve energy savings beyond the Title 24 Standards would conflict with housing cost reduction objectives.

In meeting the standards, builders can use either the "performance" or the "prescriptive" approach.

Performance Approach: The performance approach provides the builder with the greatest flexibility in that the builder determines which mix of design and equipment technologies will be used in meeting the specified energy budget. The builder, however, must be able to demonstrate, through the application of state-approved calculation methods, that the proposed building will consume no more energy than the energy budget allows.

Prescriptive Approach: The prescriptive approach will probably be the most common because it does not require computerized calculations. The prescriptive approach involves the use of one of five packages which can be characterized as the simplest and least flexible compliance path. The only choice involved in the prescriptive approach is the selection of which package to use within the designated climate zone. Each package may be generally described according to the conservation strategy it emphasizes in meeting the budget:

> Package A: A passive solar building that is designed to take advantage of the direct rays of the sun for heating purposes, or be protected from the sun for cooling purposes through proper solar orientation, appropriate selection of building materials and a moderate amount of insulation;
>
> Package B: A non-active solar building which allows a fairly small area of total glazing and requires R-19 walls in most climate zones. On the other hand, no thermal mass is required, and minimum HVAC efficiencies may be used. "Light mass" wall and "heavy mass" wall R-value requirements are available as alternatives to the frame wall insulation requirements;
>
> Package C: This package essentially exchanges a requirement for solar hot water for less insulation as compared with Package B;
>
> Package D: This package is tailored to slab floor buildings and trades higher HVAC efficiencies and exposed thermal mass area for more glazing and R-11 wall insulation in most climate zones. No slab edge insulation is required except in Climate Zones 1 and 16;
>
> Package E: This package applies to raised floor buildings and is identical to Package D except that it requires R-19 floor insulation and less exposed thermal mass area.

(See Figure E-1 for the application of each package to the non-coastal area of Orange County.)

Additionally, all new residential buildings must include minimum levels of wall and ceiling insulation (R-19 ceiling and R-11 wall insulation for frame construction), infiltration control measures, vapor barriers (in certain climate zones), duct insulation, proper sizing of space conditioning equipment, setback thermostats, and energy-efficient lighting.

The cost of complying with the new standards ranges from $500 to $17,000 per unit depending on the package type and climate zone. (See Chapter Three: Constraints and Opportunities: E. State-Imposed Requirements.)

The costs of compliance associated with the Title 24 Building Standards will influence the costs of constructing and purchasing or renting a new home in Orange County. However, as energy prices rise, homeowners and renters will most likely spend an increasing proportion of household income for utility bills. This may cause housing to become even less affordable than it is now and further constrain residents' ability to meet monthly mortgage or rental payments.

FIGURE E-1:
PRESCRIPTIVE PACKAGES FOR CLIMATE ZONE 8
(Non-Coastal Orange Co.)

Component	Package A	Package B	Package C	Package D	Package E
BUILDING ENVELOPE					
Insulation Minimums:					
Ceiling	R-30	R-30	R-30	R-30	R-30
Wall[1]	R-11	R-19	R-11	R-11	R-11
"Heavy" Wall	(R-1.6)	(R-1.6)	(R-1.4)	N/A	N/A
"Light Mass" Wall	"R-4.0"	"R-4.5"	"R-3.5"	N/A	N/A
Slab Floor Perimeter	R-7	R-7	R-7	NR	N/A
Raised Floor	R-11	R-19	R-11	N/A	R-19
GLAZING					
Maximum U-Value	1.10	0.65	1.10	0.65	0.65
Maximum Total Area	NR	14%	14%	20%	20%
Maximum Total Nonsouth Facing Area	9.6%	N/A	N/A	N/A	N/A
Minimum South Facing Area	6.4%	NR	NR	NR	NR
SHADING COEFFICIENT					
South Facing Glazing	0.36/ Opt.Ov.	0.36/ Opt.Ov.	0.36/ Opt.Ov.	0.66[2]	0.66[2]
West Facing Glazing	0.36	0.36	0.36	0.36	0.36
East Facing Glazing	NR	NR	NR	0.36	0.36
North Facing Glazing	NR	NR	NR	0.66	0.66
THERMAL MASS[3]	REQ	NR	NR	25%	10%
INFILTRATION CONTROL					
Continuous Barrier	NR	NR	NR	NR	NR
Air-to-Air Heat Exchanger	NR	NR	NR	NR	NR
SPACE HEATING SYSTEM[4]					
If Gas, Seasonal Efficiency=	71%	71%	71%	72%	72%
If Heat Pump[5], ACOP=	MIN	MIN	MIN	2.5	2.5
SPACE COOLING SYSTEM					
If Air Conditioner[6], SEER=	MIN	MIN	MIN	8.9	8.9
DOMESTIC WATER HEATING TYPE					
System must meet budget, sec §2-5351(b) and 2-5351(f)(8)	ANY	ANY	Solar w/ Any Backup	ANY	ANY

LEGEND: NR = Not Required; N/A = Not Applicable; REQ = Required

1. The value in parentheses is the minimum R-value for the entire wall assembly excluding interior and exterior air films if the wall weight exceeds 40 pounds per square foot. The value in quotation marks is the minimum R-value for the entire assembly if the heat capacity of the wall meets or exceeds the result of multiplying the bracketed minimum R-value by 0.65. The insulation must be integral with or installed on the outside of the exterior mass. The inside surface of the thermal mass, including plaster or gypsum board in direct contract with the masonry wall, shall be exposed to the room air. The exterior wall used to meet the R-Value in parentheses cannot also be used to meet the above thermal mass requirement.

2. No specific shading must be installed with double glazing to meet the 0.66 shading coefficient requirement which assumes light drapery.

3. To calculate the amount of thermal mass required for Package A, use the method set forth in §2-5351(f)4. Package D (for slab floor buildings) requires 25 percent of the ground floor area directly exposed to the conditioned space. Uncarpeted (e.g., linoleum or tiled) ground floor area, such as entry ways, kitchens, bathrooms, and conditioned utility rooms or closets may all be counted towards this requirement. Package E (for raised floor buildings) requires a thermal mass area equal to 10 percent of the ground floor area. To qualify for thermal mass, the material used must have a performance equivalent to a two inch thick mass element with a volumetric heat capacity of 28 Btu/ft^3-°F., a thermal conductivity of 0.98 Btu/ft-°F., and a surface area directly exposed to the room air of the required percentage of the ground floor.

4. The 71% SE requirements are superseded by the Appliance Efficiency Standards which require that all nonweatherproof control gas furnaces of less than 175,000 Btu/hr manufactured on or after January 1, 1988 have a rating of 72% SE or higher. Automatic setback thermostats must be installed in conjunction with all space heating systems except those noted in Section 2.3.

5. Heat pumps must meet the minimum 6.6 HSPF (Heating Seasonal Performance Factor) value specified in the Appliance Efficiency Standards as well as the ACOP (Adjusted Coefficient of Performance) listed in the Table.

6. Both air conditioners and the cooling cycle of heat pumps must meet the listed SEER (Seasonal Energy Efficiency Ratio) listed in the Table. Any equipment which meets the Appliance Efficiency Standards also meets the "MIN" package requirement for cooling.

APPENDIX F

HOUSING ELEMENT REVIEW AND EVALUATION

California Government Code Section 65588 requires each local government to review its Housing Element at least once every five years to determine the appropriateness of the element's goals, objectives and policies; the effectiveness of the element in attaining the community's goals and objectives; and the jurisdiction's progress in implementing the element. This appendix contains a summary of the County's Housing Element review.

State law specifies that jurisdictions within the Southern California Association of Governments (SCAG) region must complete their Housing Element updates by July 1, 1989. In late 1988, County staff prepared a work program for the project and submitted it to the Planning Commission for approval. The work program included a technical advisory committee made up of County agencies, private organizations, housing interest groups, and building industry representatives. This technical advisory committee held a series of public workshops intended to solicit information and recommendations from all economic segments of the community, as required by Government Code Sec. 65583(c). A list of technical advisory committee members is provided on the credit page inside the front cover of the element.

Following the technical advisory committee public workshops, County staff prepared a new draft Housing Element, which was circulated to the state Department of Housing and Community Development and to local organizations and persons for review and comment. A series of public hearings was held before the Planning Commission and Board of Supervisors to discuss the revised element. The following sections describe the analysis that was conducted prior to final adoption of the new element.

A. Appropriateness of Goals, Objectives, Policies and Programs

In drafting the revised element, staff evaluated the appropriateness of existing goals, objectives, policies, and programs to determine what modifications were needed in response to new circumstances and the County's performance during the previous five years. The significant changes and the rationale in support of these changes are discussed below.

1. Goals (Page H 4-1)

The five previous goals have been consolidated into four goals to avoid duplication. Goal 1 also includes a new statement regarding adequate housing for employees of county firms and public service providers. This reflects the increase public concern over the rapid escalation in housing costs in the county during the past few years, making it increasingly difficult for employers to attract and retain qualified workers. This is especially true for the growing service sector of the economy.

2. Objectives (Page H 4-1)

Quantified objectives are broken down into two components: new housing construction, and housing conservation and rehabilitation. The new objective for total housing production is based on the most recent Board-adopted growth forecast, Orange County Projections - 1988 (OCP-88). This objective reflects anticipated growth in the unincorporated area for the period of 1989-1994.

A separate objective is stated for new affordable housing production, which is defined as housing affordable to households with incomes of 120 percent or less of the county median. This objective is 25 percent of new housing units built, unchanged from the previous element. The new element also retains the previous objectives for 10 percent of all new units in the Low category (80 percent or less of median income), 10 percent in the Moderate I category (81-100 percent of median income), and 5 percent in the Moderate II category (101-120 percent of median income). The element includes a policy statement (1-X on p. H 4-6) indicating the County's intent to establish a new objective for very-low-income housing (50 percent or less of median income), with this objective to be determined based on an evaluation of available resources. A key assumption of the Housing Element continues to be that the majority of low- and moderate-income needs are met by existing, rather than new housing.

The previous element contained a quantified objective for new units assisted with federal Community Development Block Grant (CDBG) funds. Since these units must be affordable to low- and moderate-income households, this objective is now included within the affordable housing quantified objective.

The quantified objective for rehabilitation and conservation of existing units has been updated to reflect the most current funding expectations.

Finally, the program objectives from Chapter 4 of the previous element have been reformatted and are included either as policy statements (Chapter 4) or in the individual program descriptions (Chapter 5) of the revised element.

3. Policies (Page H 4-4)

Policy statements have been reviewed and updated to reflect the revised goals and changes in circumstances. Many policy statements were consolidated or revised to eliminate duplication or ambiguity. In addition, the following new policy statements have been added in response to needs identified during the amendment process:

a. Policy 1-F includes a provision for the recapture of direct public subsidies if units are prematurely withdrawn from the subsidizing program.

b. In response to a recommendation from the technical advisory committee, Policy 1-G has been revised to initiate consideration of a zoning code amendment that would allow administrative approval of transitional housing in appropriate districts.

c. Policy 1-I commits the County to consider a zoning code amendment to allow residential uses in appropriate commercial districts to facilitate the production of affordable housing and transitional shelters close to employment opportunities and major transportation routes.

d. Policy 1-S directs staff to develop an in-lieu fee policy as an alternative method of complying with affordable housing requirements.

e. Policy 1-T commits the County to support increased state and federal tax incentives to encourage low-income housing construction and handicapped-accessible housing.

f. Policy 1-U indicates the County will investigate the feasibility of participating in a regional employment/housing linkage program that would assist in providing housing affordable to low- and very-low-income workers.

g. Policy 1-V directs staff to develop a program to inventory and preserve existing federally-assisted affordable housing units that are eligible to convert to market-rate housing.

h. Policy 1-W directs staff to identify sites for transitional shelters for homeless families that are now available or easily made available.

i. Policy 1-X commits the County to establishing a new income category and quantified objective for very-low-income housing (i.e., affordable to households with income of 50% or less of median) based on an evaluation of available resources.

j. Policy 2-E directs the County to consider support of just cause eviction legislation at the state and federal level.

k. Policy 4-D supports the establishment of a countywide housing task force and trust fund to assist the production of low-income housing and transitional housing for homeless families.

4. Programs (Chapter 5)

In the previous element, individual program descriptions were listed in Appendix C. The revised element contains a complete listing of updated programs in Chapter 5.

a. New Programs

The revised element contains the following new program descriptions:

- Aftercare Rental Assistance Program (p. H 5-2)

  This is an existing program that was inadvertently omitted from the previous element's catalogue of programs.

- Countywide Homeless Family Transitional Housing Initiative (p. H 5-6)

  In response to the growing need for temporary shelter, the Board of Supervisors recently directed County staff to explore the feasibility of creating a countywide pool of CDBG funds to support a joint city-county program to assist the development of transitional housing facilities for homeless families.

- Homeless Issues Coordination (p. H 5-9)

  This new program was created to provide a mechanism to coordinate the activities of various County departments in their programs to assist the homeless.

- Housing Development Finance Program (p. H 5-11)

  This new program administered by the Orange County Housing Authority is intended to support the production and preservation of low-income rental housing. It is funded through OCHA's surplus operating reserve.

- Housing Element Periodic Review and Update (p. H 5-13)

  This is an existing activity mandated by state law. The new element elevates this activity to program status, and incorporates other previous programs such as the Housing Affordability Monitoring System, Land Availability, and Economic Analysis of Land Use.

- Neighborhood Development and Preservation Project (p. H 5-20)

  This new program will utilize redevelopment financing mechanisms to support construction, rehabilitation, and neighborhood improvement efforts in selected areas.

- Stewart McKinney Homeless Assistance Act (p. H 5-25)

  This program was recently established to utilize federal grants for improvement and operation of emergency shelters for the homeless.

b. Programs Discontinued or Redesignated

Several programs have been deleted from the new element to eliminate redundancy. These programs are identified below.

- Building Code Review and Revision

  This activity is incorporated within both the Development Processing System Review Program (p. H 5-6) and the Housing Opportunities Program (p. H 5-12, Appendix D).

- Controlling Speculation

  This activity is included within the Housing Opportunities Program (p. H 5-12, Appendix D).

- Economic Analysis of Land Use

  This activity is included within the Housing Element Periodic Review and Update (p. H 5-13).

- Housing Affordability Monitoring System

  This activity has been incorporated into the Housing Element Periodic Review and Update program (p. H 5-13).

- Housing Outreach and Education

  This activity is included within other programs such as CDBG (p. H 5-4), other federal housing programs (p. H 5-8), the Housing Development Finance Program (p. H 5-11) and the Housing Referral Directory (p. H 5-16).

- Housing Program Performance Report

  This activity is included within the Housing Element Periodic Review and Update (p. H 5-13) and the Community Development Block Grant Program (p. H 5-4).

- Land Availability

  This activity is included within the Housing Element Periodic Review and Update (p. H 5-13)

- Liaison With Other Local Agencies

  This activity is included within each of the programs that involve other agencies, such as the Countywide Homeless Family Transitional Housing Initiative (p. H 5-6), the CDBG program (p. H 5-4), and the Housing Element Periodic Review and Update (p. H 5-13).

- Master Environmental Assessment

  This activity is included within the Development Processing System Review Program (p. H 5-6) and the Housing Opportunities Program (p. H 5-12, Appendix D).

- Meeting Special Housing Needs

  These efforts are included within the CDBG program (p. H 5-4), the Aftercare Rental Assistance Program (p. H 5-2), and various state and federal programs.

- Modification of Development Standards

  This activity is included within the Development Processing System Review Program (p. H 5-6) and the Housing Opportunities Program (p. H 5-12, Appendix D).

- Housing Information System

  This activity is included within the Housing Element Periodic Review and Update Program (p. H 5-13).

- Reduction of Processing Time

  This activity has been incorporated into the Consistency Review Program (p. H 5-5) and the Development Processing System Review Program (p. H 5-7).

The descriptions of remaining programs have been updated to reflect current activities and funding levels.

B. Effectiveness of the Housing Element in Attainment of Housing Goals and Objectives.

Table F-1 summarizes the County's performance compared to quantified objectives during the period 1983-88. As indicated in this table, all of the new housing production objectives were exceeded by a considerable margin. Even construction of new low-income units, which is the most difficult to achieve, exceeded the objective by 50 percent.

Construction of new CDBG units was slightly less than the objective (85%), but this was attributable to a cut in federal funding in 1984.

Conservation and rehabilitation efforts exceeded the objectives by 24 percent.

C. Progress in Housing Element Implementation

In addition to evaluating the County's performance with respect to the quantified objectives, the previous element's program objectives were reviewed to determine the level of progress in achieving these objectives. The results of this review are presented in Table F-2.

D. New and Replacement Units in the Coastal Zone

For localities with territory in the coastal zone, Government Code Sec. 65588 (c) and (d) require that the housing element report on housing production activities within the coastal zone.

Table F-3 contains statistics regarding new housing production in the coastal zone during the 1982-1988 period. During this time a total of 3,746 new affordable units were required. Table F-4 provides information on demolitions and conversions within the unincorporated coastal zone for the year 1982-1988. According to records kept by the County Administrative Office, a total of 9 units were added due to conversion, 4 units were deleted due to conversion and 29 units were deleted due to demolition or fire.

TABLE F-1
Housing Performance Summary
Orange County Unincorporated Area
July 1983 - June 1988

	Total Units	Housing Element Objective 5/	Performance (% of Objective)
1. Total Units Built	29,194 1/	22,638	129%
2. Affordable Units Built and Certified	10,014 2/	5,660	177%
Low 7/	3,402	2,264	150%
Mod-I	3,597	2,264	159%
Mod-II	3,015	1,132	266%
3. New CDBG Units Built 3/	424	500	85%
New	413	375	
Infill 6/	11	125	
4. Units Conserved or	1,199 3/ 8/	965	124%
Rehabilitated			
CDBG Funded 3/	812	600	
HUD Funded 4/	364	345	
Aftercare 4/	23	20	

Sources/Notes:

1/ CAO, Housing Inventory System
2/ EMA, Advance Planning Division
3/ EMA, Housing/Community Development Office
4/ Orange County Housing Authority
5/ County of Orange, Housing Element H 86-1, P. H 4-1
6/ The Urban Infill Program was projected to accomplish approximately 25 new units per year in 1983. H/CD had 30 units in process during 1984 when a federal CDBG regulation amendment sequestered future funds for this activity. H/CD finished 11 units prior to the federal determination.
7/ Includes CDBG units.

TABLE F-2

PROGRESS IN IMPLEMENTING HOUSING ELEMENT PROGRAM OBJECTIVES

Program Objectives	Progress
I.1. Completion and operation of a housing information System satisfying all local, state and federal requirements for data compatibility, currency, updating capability and retrieval to document and monitor housing needs.	In February 1983, the Board of Supervisors established the Housing Affordability Monitoring System (Resolution No. 83-184), which serves as a comprehensive data source for evaluating the County's housing needs and progres in implementing goals. This document is updated annually and serves as the County primary housing data reference source.
I.2. Implementation of Consistency Assessment.	The Consistency Review Section has been created within the Planning Function to evaluate consistency of permit applications with the General Plan and zoning regulations.
I.3. Implementation of a New Construction Housing Program yielding 25 percent of new units constructed in the affordable price range.	See discussion under Section B(1) and Table E-1.
I.4. Definition of Community Development Block Grant Programs and related budgets which respond to appropriate policies in the Housing Element.	Housing and Community Development Block Grant funds have been used as seed money in financing rehabilitation, replacing deteriorated housing, and development of new units for low- and moderate-income families.
I.5. Continuation of Section 8 Existing Program.	The Section 8 Existing Program has been expanded in funding levels, staffing, numbers of projects processed and types of projects utilizing these funds.
I.6. Implementation of a coordinating mechanism to directly involve business and industry in solving the housing needs and problems of their employees and involving the building industry in satisfying the need.	As part of the Housing Element periodic review and update, representatives of the business community and building industry were invited to participate in the develoment of programs to address employee housing needs.

Program Objectives	Progress
I.7. Transportation Element interface (e.g., employer-residence proximity, encouraging balanced communities, implications of high density residential development on transportation facilities).	This program objective is implemented through the Balanced Land Use Policy of the Land Use Element. All communities in the unincorporated area are planned with a mix of land uses so that residents have the opportunity to work, shop and play within a short distance of their homes.
II.1. Housing Information System	See comment I.1.
II.2. Maintain a land inventory of all government- and publicly-owned surplus sites (including state- and federally-owned land) in the county, which have potential for residential development for low- and moderate-income households.	An inventory has been completed and additional sites deemed surplus are evaluated and added to the inventory by HCD.
II.3. Consistency Assessment	See comment I.2.
II.4. Establishment of a system for continuous building code and regulatory review for flexibility in building standards and pilot projects.	A Planning Regulation Review Committee has been established to oversee streamlining of the zoning code and other regulatory mechanisms (e.g., specific plans, planned communities).
II.5. Housing Opportunities Program	See comment I.3.
II.6. Continue reduction of processing times program under way with continued monitoring of performance.	With recent revisions to the Zoning Code (#3499) which streamlined the regulations and with concurrent processing of project approvals, processing times have been reduced.

TABLE F-2 (Continued)

Program Objectives	Progress
II.7. Secure funds provided by federal, state and local housing and revenue bond programs.	The County has issued over $1.6 billion of tax-exempt revenue bonds to provide below-market loans for more than 11,000 units.
II.8. Continue to implement and expand the Land Acquisition Program (HCD activity) so as to provide additional sites for residential development for low- and moderate-income households.	The Land Acquisition Program has continued at the same scope and funding level.
II.9. Contingent upon funding availability, initiate Section 8 projects under both new and substantial rehabilitation provisions.	No federal funding has been available for this program.
II.10. Consider revisions to the Zoning Code to allow mixed uses and temporary housing facilities, and facilitate apartment construction.	In 1984, a comprehensive Zoning code amendment was approved (#3499), which contained provisions to permit mixed-use development and community care facilities(temporary housing) with a use permit or site development permit. This revision also increased permissible density and building height and reduced processing time and fees for apartment construction.
II.11. Review and revise speculation control and continuing affordability mechanisms to conform to modified policy.	To control speculation, in the grant deed of each bond-financed unit is a statement of owner intent to occupy the unit. Continued affordability is facilitated by restricting loans to low- and moderate-income buyers only and by requiring pre-payment penalties on bond-financed units.
II.12. Pursue alternative financing mechanisms for Infill Program if HUD funds are reduced.	The County has explored possible funding alternatives, however none has been found to date.

Program Objectives	Progress
II.13. Continue implementation of Tax Exempt Revenue Bonds Program.	See comment II.7.
II.14. Prepare and adopt the Public Facilities Element as a new element of the general plan.	The Public Services and Facilities Element was adopted by the Board of Supervisors on January 9, 1985 (Resolution No. 85-54).
II.15. Conduct Infrastructure Studies.	The County conducts several programs to ensure that adequate infrastructure is available to support new development. The CAO's Development Monitoring program annually evaluates the capacity of key systems, including water, wastewater, schools, roads, libraries, flood control and fire protection. In addition, the Public Services and Facilities Element of the General Plan establishes the policy frame-work for the development of infrastructure systems.
III.1. Maintain housing affirmative action - nondiscrimination program at existing resources and staff levels.	H/CD funded the Fair Housing Council to monitor both for-sale and rental units for affirmative action and discrimination.
III.2. New Construction Housing Program	See comment I.3.
III.3. Community Development Block Grant Programs	See comment I.4.
III.4. Implement housing outreach and education program to inform the public of housing opportunities available to eligible households.	Outreach and education programs operate continuously through flyers and community meetings.

TABLE F-2 (Continued)

Program Objectives	Progress
III.5. To support and undertake programs which reduce housing costs by making better use of existing housing resources.	No new programs have been initiated.
III.6. Consider a Zoning Code amendment to permit second units on lots zoned single-family.	The Zoning Code has been amended to allow second units in single-family districts (Sec. 7-9-146.5).
III.7. To provide the extension of the camp site time frame to 30 days for a specific number of available camp sites.	In 1984, the Harbors, Beaches and Parks Commission rejected this proposal as an inappropriate use of park facilities.
IV.1. Maintain rehabilitation support in target areas under Housing and Community Development Block Grant Program.	The Housing and Community Development Block Grant Program has continued rehabilitation support at the same funding level, scope and scale.
IV.2. Implement Residential Energy and Water Conservation Retrofit Program.	All housing rehabilitation coordinated through H/CD implement energy-saver improvements including windows, faucets, toilets, insulation and electronic ignitions.
IV.3. Implement Block Grant Home Improvement Program.	The Block Grant Home Improvement Program has been implemented (see program description on p. H 5-3).
IV.4. To consider revision of the Zoning Code to secure tenant relocation safeguards when a mobile home park is converted to a commercial use.	The State Government Code (Section 65863.7) addresses this subject. The Board of Supervisors has determined that no additional County zoning regulations are necessary.
IV.5. Earmark a portion of available rehabilitation funds for use in modifying (retrofitting) existing rental or ownership units to make them accessible.	The Dale McIntosh Center for handicapped persons was completed in early 1985 with H/CD rehabilitation funds. The Center provides emergency housing for the handicapped.

Program Objectives	Progress
V.1. Interface with industry and business organizations, especially those composed of employers.	See comment I.6.
V.2. Interface with cities in the forum provided by the SCAG Sub-Regional Planning Council.	The County is a member of the Southern California Assoc. of Governments (SCAG), the regional council of governments for Los Angles, Orange, Riverside, San Bernardino, Ventura and Imperial counties. The County participates in any SCAG programs that relate to Orange County planning issues.
V.3. Share with cities information and experience regarding special topics (e.g., granny housing).	See comment V.2.
V.4. Identify the Shared Emergency housing Task (SET) force as the clearinghouse for information and referral. Recommend OCHA interface with SET as the public sector liaison.	In 1984 OCHA subsidized the computerization of SET's Shared Housing Directory. This directory lists clients, sponsoring agencies, rent and other information so that compatible roommates can be matched. The target group is seniors. SET is also updating its Emergency Housing Referral Directory. The SET Director is appointed by the Director of the OCHA.

TABLE F-3

Coastal Zone Housing Approvals with
Affordable Housing Requirements
Orange County Unincorporated Area
1982-1988

Project	New Projects: Total Units Authorized	New Projects: Affordable Units Required	Comments
1982			
TT 11632	9	3	-
TP 82-114/UP 82-8P	1	0	Exempt from replacement requirement
TT 11711/UP 82-3P	46	12	Transfer affordable credits used
UP 82-72P/SP 82-70P	4	0	-
SP 82-56P	1	0	-
TT 11594	119	0	Afford. units not req'd; CAA objective met
TT 11799	384	225	-
TT 8735 (2nd rev.)	80	20	-
TP 82-138/UP 82-12P	4	0	-
TP 82-108	2	0	-
TP 82-160	2	0	-
TP 82-148	2	0	-
1982 Subtotal	654	260	
1983			
UP 83-8P/VA 87-4P/ GPI 83-2P	2	0	-
TT 11843/UP 82-81P/ SP 82-77P	40	40	-
TT 11985/SP 83-68P	32	8	Transfer affordable credits used
UP 83-41P/SP 83-44P/ CD 83-7P/TP 83-121	24	24	-
TP 82-158	1	0	-
1983 Subtotal	99	72	

TABLE F-3 (Continued)

Project	New Projects: Total Units Authorized	New Projects: Affordable Units Required	Comments
1984			
UP 84-90P/SP 84-110P/ CD 84-52P	1	0	-
SP 84-86P/CD 84-41P	29	0	Timeshare project
SP 84-60P/VA 84-11P/ CD 84-23P	68	0	Timeshare project
AP 84-18P/FP 84-8A	450	113	Not all units are in coastal zone
UP 84-65P/CD 84-40P	2	0	-
TT 8735 (6th rev.)	119	30	Transfer affordable credits used
UP 83-95P/SP 83-118P/ CD 83-51P	2	0	-
UP 84-85P	-	-	Exempt from replacement requirement
UP 84-62P	-	-	Exempt from replacement requirement
1984 Subtotal	671	143	
1985			
TT 9702	35	4	-
TT 110802/SP 83-156P	108	11	Transfer of vested coastal credit
TT 11578	63	-	Affordable objective met alternative
CD 85-56P/VA 84-20P	71	71	On-site
TT 12366/SP 85-9P	450	125	On-site
TT 11578	180	45	Transfer coastal excess affordable credit
TT 12376	190	48	Transfer coastal excess affordable credit
TT 12604	111	27	On-site or transfer
1985 Subtotal	1,208	331	

TABLE F-3 (Continued)

Project	New Projects: Total Units Authorized	New Projects: Affordable Units Required	Comments
1986			
TT 12577	68	17	Transfer or on-site
TT 8551/CD 86-06P/ YA 86-06P	100	100	Laguna Sur Rental Agreement
TT 12709/CD 85-48P/ SP 86-90P	116	29	-
TT 12764	76	19	-
TT 12765	112	28	Compliance with AHIP
TT 12590/CD 86-58P SP 86-110P	70	18	-
TT 12666	65	16	-
1986 Subtotal	607	227	
1987			
TT 12708	82	20	-
1987 Subtotal	82	20	
1988*			
TT 13434	325	125	-
TT 8551/VA 88-05P	100	100	Density Bonus
1988 Subtotal	425	225	
1982-1988 Total	3,746	1,278	

*1988 information is through July 1, 1988.

Sources: EMA/Advance Planning
EMA/Current Planning & Development Assistance

TABLE F-4

Coastal Zone Demolitions and Conversions
Orange County Unincorporated Area
1982-1988

Year	Units Added Due to Conversion	Units Deleted Due to Conversion	Units Deleted Due to Demolition or Fire
1982	-	-	3
1983	2	1	-
1984	-	-	2
1985	-	-	-
1986	3	1	3
1987	-	-	12
1988	4	2	9
TOTAL	9	4	29

Note: The above information is recorded by transportation analysis zone which in some cases extend inland or beyond the coastal zone. Therefore, there may actually be fewer demolition and conversions than reflected in this table.

Sources: CAO/Forecast and Analysis
EMA/Advance Planning

Appendix G

Board of Supervisors' Resolution

June 21, 1989

RESOLUTION OF THE BOARD OF SUPERVISORS OF

ORANGE COUNTY, CALIFORNIA

June 21, 1989

On motion of Supervisor Stanton, duly seconded and carried, the following Resolution was adopted:

WHEREAS, the County of Orange has an adopted General Plan; and

WHEREAS, pursuant to Planning and Zoning Law of the State of California, public hearings were held by the Orange County Planning Commission on the Amendment of the Housing Element on March 7, March 28, April 18, May 9, May 30, and June 5, 1989; and by this Board on June 21, 1989; and

WHEREAS, Negative Declaration IP 89-18 satisfies the requirements of CEQA and was considered and found adequate in addressing the environmental impacts for the project prior to its approval. The project will not have a significant impact on the environment; and

WHEREAS, in compliance with the California Government Code, the Environmental Management Agency transmitted Draft Housing Element Amendment 1989-1 to the State Department of Housing and Community Development for review and report of its advisory findings; and

WHEREAS, the Department of Housing and Community Development's comments on Draft Housing Element Amendment 1989-1 were reviewed and considered by this Board.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors hereby approves Housing Element Amendment 1989-1 as set forth in the Environmental Management Agency report of June 21, 1989, except that Exhibit A shall be revised as set forth in the attachment to Supervisor Stanton's letter to the Board dated June 21, 1989. This amendment is the 5-year comprehensive amendment to the Housing Element as required by State law.

BE IT FURTHER RESOLVED that EMA, in consultation with the County Administrative Office and the Orange County Housing Authority is directed to immediately begin implementation of the policies listed under Phase I of the 5-Year Housing Element Action Plan (revised Exhibit A), and to report back to the Board of Supervisors with recommendations regarding those policies listed under Phase II by December 1989.

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Thomas F. Riley

Chairman of the Board of Supervisors

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Linda D. Ruth

LINDA D. RUTH
Clerk of the Board of Supervisors
of Orange County, California

AYES: SUPERVISORS ROGER R. STANTON, HARRIETT M. WIEDER, DON R. ROTH AND THOMAS F. RILEY

NOES: SUPERVISORS NONE

ABSENT: SUPERVISORS GADDI H. VASQUEZ

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, LINDA D. RUTH, Clerk of the Board of Supervisors of Orange County, California, hereby certify that the above and foregoing Resolution was duly and regularly adopted by the said Board at a regular meeting thereof held on the 21st day of June, 1989, and passed by a unanimous vote of said Board members present.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 21st day of June, 1989.

Linda D. Ruth

LINDA D. RUTH
Clerk of the Board of Supervisors
of Orange County, California

REVISED

EXHIBIT "A"
5-YEAR HOUSING ELEMENT ACTION PLAN

PHASE I (June 21, 1989)

A. Housing Affordability

1. Pursue the establishment of a new income category to be affordable to very-low-income households (i.e., those with incomes of 50 percent or less of median) and direct staff to report back in Phase II with recommendations for a new quantified objective for this category consistent with available resources. (H-4-3, H-D-4)

2. Support mixed-use zoning in urban activity centers and business parks. (H-4-7, Policy 1-I)

3. Give priority to families of 5 or more in obtaining affordable units with 3 or more bedrooms. (H-D-6, Section D.1.h)

4. Continue to pursue and expand where possible existing County programs that facilitate affordable housing construction and rehabilitation, such as the Community Development Block Grant program, Orange County Housing Authority programs, the Tax-Emempt Revenue Bond Program, the Orange County Development Agency, and the continuous review of surplus public property for its suitability for low and very low income housing development. (H-4-6, Policy 1-A; H-4-7, Policies 1-L, 1-N; H-4-10, Policies 3-C, 3-D)

B. Homeless Assistance

1. Continue to pursue all available funds under the Stewart McKinney homeless assistance program. (H-5-25)

2. Pursue state grant funds under the Proposition 77 and 84 bond programs. (H-4-8, Policy 1-R)

3. Continue to coordinate County activities regarding homeless assistance through an interagency committee chaired by the County Administrative Officer. (H-5-9)

C. Handicapped/Disabled Assistance

1. Provide incentives (e.g., CDBG, Orange County Development Agency, Orange County Housing Authority Operations Reserves) to developers who provide additional housing units accessible to the handicapped/disabled in excess of minimum requirements. (H-D-7, Section E)

2. Continue to utilize all available state and federal programs to assist the development or maintenance of housing that is accessible to the disabled (e.g., Section 8-Aftercare, Section 235). (H-5-2, H-5-8)

D. Regional/State/Federal Solutions

1. Support the creation of a council of governments for Orange County to facilitate countywide solutions to housing problems. (H-4-10, Policy 4-B)

2. Support lobbying efforts to increase state and federal tax incentives for low-income housing and handicapped-accessible housing. (H-4-8, Policy 1-T)

PHASE II (December 1989)

1. Support the establishment of a City-County task force and a housing trust fund to assist in the development of transitional housing facilities for homeless families and to assist in the production of low- and very-low-income housing. Potential funding sources include state/federal grants, employment-housing linkage fees, hotel bed taxes, recaptured public funds, affordable housing in-lieu fees and private donations. (H-4-11, Policy 4-D)

2. Support the efforts of existing local and regional non-profit housing development corporations to develop low-income and very low-income housing. (H-4-10, Policy 4-D)

3. Reexamine incentives for provision of affordable housing to ensure that they are as significant as possible without jeopardizing public health, safety and welfare. (H-D-7, Section E)

4. Evaluate the feasibility of adopting an incentive program that would encourage builders to construct low- and very-low-income units and large family units in lieu of moderate-income requirements. (H-D-7, Section E)

5. Evaluate potential revisions to Housing Opportunities Program affordable housing certification criteria. (H-D-4, Section C)

6. Continue to seek feasible ways to reduce governmental development processing costs in consultation with the Development Processing Review Committee. Possible actions include reinstating the Project Coordination Section to expedite affordable housing projects, and reconsidering the fee waiver policy for low-income housing developments. (H-4-6, Policy 1-E)

7. Consider establishing a transfer of development rights program to encourage construction of affordable housing in appropriate areas near employment and other services, while preserving resources and open space in rural areas. (Chapter 5)

8. Develop an in-lieu fee policy as an alternative method of complying with affordable housing requirements.(H-4-8, Policy 1-S)

9. Investigate the feasibility of participating in a regional employment/housing linkage program to assist in providing housing for low- and very-low-income workers.(H-4-8, Policy 1-U)

10. Develop a program designed to inventory and promote the preservation of existing federally-assisted affordable housing units. (H-4-8, Policy 1-V)

11. Identify sites that are now available or could easily be made available for transitional shelters for homeless families. (H-4-8, Policy 1-W)

12. Investigate mechanisms to recapture public funds when directly subsidized units are prematurely sold or otherwise withdrawn from the subsidizing program. (H-4-6, Policy 1-F)

13. Consider supporting just cause eviction legislation at the state and federal levels. (H-4-9, Policy 2-E)

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